FBIS DAILY REPORT

Eastern Europe

CONTENTS

Vol II No 226 24 November 1986

ARMS CONTROL & DISARMAMENT

Poles Reject FRG Statement on Family Ties [PAP] BB 1
Polish Delegate Addresses CSCE Parley 21 Nov [PAP] BB 1

ALBANIA

Alia Greets Lebanese President on National Day B 1
Carcani Receives Departing Greek Ambassador B 1
Myftiu Receives Greek News Agency Delegation B 1
Health Service Agreement Signed With Hungary B 1

BULGARIA

Uruguayan Newspaper Interviews Zhivkov C 1
[LA HORA 9 Nov]
Bulgarian-Soviet Working Group Ends Session C 6
Tsanov Receives Visiting CPSU Delegation C 6

CZECHOSLOVAKIA

Husak Attends Ceremony on Gottwald Anniversary D 1
Kapek, Jakes Speak D 1
Miscarriage of Justice in Slovakia Criticized D 3
[PRAVDA 15 Nov]
Fojtik's Soviet Visitor Identified as 'Boldyrev' D 4
Trade History, Ties With USSR Reviewed D 5
Husak Receives New Bulgarian Envoy 5 Nov D 5

GERMAN DEMOCRATIC REPUBLIC

SED Central Committee Issues Communique E 1
Chemical Weapons Ban Discussed With Belgians E 1

HUNGARY

Berecz Speaks About Central Committee Session F 1
MSZMP Resolution on Economic Work Tasks F 2
MSZMP's Nemeth Interview on Economic Performance F 6
Group Returns From Propaganda Study in USSR F 10
Briefs: Energy Consumption Down; Long-Term Agreement F 11
With Volkswagen; Hungarian-French Tourism Talks

POLAND

Orzechowski Continues Japan Visit, Meets Leaders G 1
Sees Business Leaders G 1

Concludes Stay G 1
Comments, Reviews G 1
Vice Chairman Gorywoda Begins PRC Visit G 2
[cross-reference]
Soviet Envoy Examines PPR-USSR Cooperation G 2
[TRYBUNA LUDU 5 Nov]
Council of State Meets, Appoints Envoys G 3
Government Presidium Holds Session 21 Nov G 5
Briefs: Yugoslav Industrial Cooperation; G 5
Orzechowski Receives Soviet Delegation

ROMANIA

Ceausescu, Hasani Resume Talks 21 November H 1
Hasani Visits Memorial H 1
Visits Economic Units H 2
Talks Conclude H 2
Hasani Departs H 3
People Vote on Arms-Troop Cut Referendum H 4
Ceausescu Votes H 4
99 Percent Turnout H 5
Returns H 5

YUGOSLAVIA

FEC Discusses Death of Italian Boat's Captain I 1
Italian Fishing Boat Incident Investigated I 2
Mikulic Cables Craxi I 2
Dizdarevic Sends Message I 2
Investigation Concludes I 2
Hasani Returns From Bucharest Visit 22 Nov I 3
Hasani Comments I 4
Hasani Receives New Ambassador to Libya I 4
[POLITIKA 18 Nov]
Mikulic Speaks on Economic Policies, Goals I 4
DELO Journalists Dissatisfied With Pay, Position I 7
[BORBA 28 Oct]
Kosovo Body Discusses Emigration Problem I 8
Vojvodina Delegate on Relations in Serbia I 9
[BORBA 31 Oct]
Montenegrin Organs Discuss Economy I 9
Briefs: Yugoslav-Swedish Economic Cooperation; I 10
New Communications Cable Laid

POLES REJECT FRG STATEMENT ON FAMILY TIES

LD210019 Warsaw PAP in English 2256 GMT 20 Nov 86

[Text] Vienna, Nov 20 -- Deputy Polish delegate to the CSCE meeting here Jerzy M. Nowak today rejected yesterday's address by FRG representative who spoke to the human rights working group in reuniting families in Europe, and in this connection raised the issue of an alleged 1.1 million-strong minority of ethnic Germans of German nationals in Poland. In his firm and well-substantiated rejection of the claim, Nowak recalled the history of reuniting families in the Polish-FRG relations, and accused Bonn of sustaining legislation which strikes at FRG agreements with Poland, is in conflict with the letter and the spirit of the CSCE Final Act, and undermines the foundations of the European security and normal relations between the European states. Some of these legislations date back to before World War One, namely 1913, Nowak noted.

"No-one can expect Poland to ever consent to extension onto her territory of FRG unilateral and artificial legal constructions concerning issues of citizenship."

At the same time, he confirmed that Poland was going to continue implementing the decisions of the CSCE Final Act on a case-by-case basis, in a positive and friendly spirit. He called on the FRG to stop raising this fictitious issue, harmful both to bilateral relations between Poland and the FRG and to the European situation in general.

POLISH DELEGATE ADDRESSES CSCE PARLEY 21 NOV

LD221756 Warsaw PAP in English 2120 GMT 21 Nov 86

[By PAP correspondent Franciszek Malinowski]

[Text] Vienna, Nov. 21 -- Addressing the meeting of 35 CSCE countries in Vienna today Poland's representative Ambassador Eugeniusz Kulaga stressed the significance of the political will of states in solving the key issues of the European Continent, in the search for international agreement. Whenever readiness to take account of mutual interest prevailed, agreement turned out to be possible, he stated. The Stockholm conference was an example of such a positive approach.

The speaker announced that, from its side, Poland has already undertaken activities which will ensure the effectiveness of the Stockholm decisions as far as military activities planned in Poland were concerned. Stockholm, however, did not exhaust the whole arsenal of confidence and security building measures, Kulaga said further. States-signatories to the CSCE must undertake further steps. They should cover the whole field of potential threats, especially in the field of limiting and reducing arms, he said.

Referring to the Soviet-American talks in Reykjavik Ambassador Kulaga stated that they were a test of the political will of both superpowers in their activities on behalf of disarmament. We believe that the achievements of the talks in Reykjavik will not be wasted, he stated. The realization of the "Star Wars" programme, the key obstacle to reaching agreement, in conditions where the disarmament process is undertaken, loses its justification. The Polish delegate drew attention to the decision of the Soviet Union of November 13, this year, on decreasing the amount of nuclear-missile arms in the north-western part of the Soviet Union. These are not words but facts which we welcome with understandable satisfaction, stated Kulaga. The initiative facilitates the realization of the project of a nuclear-free zone in northern Europe, on the direct line of contact of NATO- and Warsaw Treaty- member states and neutral and non-aligned countries, he concluded.

ALIA GREETS LEBANESE PRESIDENT ON NATIONAL DAY

AU221525 Tirana ATA in English 1120 GMT 22 Nov 86

[Text] Tirana, November 22 (ATA) -- The president of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, Comrade Ramiz Alia, sent the following message of greetings to the president of the Lebanese Republic, Amin al-Jumayyil:

"On occasion of your national day, the anniversary of the proclamation of the independence of Lebanon, on behalf of the Albanian people, the Presidium of the People's Assembly and in my name, I convey to you and through you to the friendly Lebanese people the best wishes and successes in the defence of the country from the Zionist imperialist attacks and plots, for the consolidation of the independence of the homeland."

CARCANI RECEIVES DEPARTING GREEK AMBASSADOR

AU211946 Tirana ATA in English 0745 GMT 21 Nov 86

[Text] Tirana, November 21 (ATA) -- The chairman of the Council of Ministers of the People's Socialist Republic of Albania, Adil Carcani, received on November 20 the ambassador extraordinary and plenipotentiary of the Greek Republic to the People's Socialist Republic of Albania, Apostolos Papasliotis, on occasion of his transfer from our country and had a warm and friendly talks with him.

Attending was also the vice-minister of foreign affairs, Sokrat Plaka.

MYFTIU RECEIVES GREEK NEWS AGENCY DELEGATION

AU231546 Tirana ATA in English 1147 GMT 23 Nov 86

[Text] Tirana, November 22 (ATA) -- The vice-chairman of the Council of Ministers of the People's Socialist Republic of Albania, Manush Myftiu, received today the delegation of Athens News Agency (ANA), led by the general director, Andreas Khristodhoulidhis, and had a warm and friendly talks with it.

Attending the reception were the vice-minister of foreign affairs, Sokrat Plaka, and the director of the Albanian Telegraphic Agency, Taqo Zoto. Present was also the ambassador extraordinary and plenipotentiary of the Greek Republic to the People's Socialist Republic of Albania, Apostolos Papasliotis.

HEALTH SERVICE AGREEMENT SIGNED WITH HUNGARY

AU211945 Tirana ATA in English 0755 GMT 21 Nov 86

[Text] Tirana, November 21 (ATA) -- Talks were held between the delegation of the Ministry of Health Service of the PSR of Albania and the Ministry of Health Service of the People's Republic of Hungary in Tirana from November 17-20, 1986 and an agreement was struck on the medical and curative-climatic treatment of the sick people of the two countries.

During its stay in our country, the Hungarian delegation, led by the vice-directress at the Ministry of Health Service of the People's Republic of Hungary Dr. Iren Hanny, was received by the minister of health service, Ajli Alushani.

URUGUAYAN NEWSPAPER INTERVIEWS ZHIVKOV

PY201640 Montevideo LA HORA in Spanish 9 Nov 86 International Section pp 4, 5

[Exclusive interview "by telex" granted by Todor Zhivkov, president of the State Council of the People's Republic of Bulgaria, to LA HORA -- date not given]

[Text] [LA HORA] What are the main achievements of the People's Republic of Bulgaria under the socialist revolution? At what stage of development is true socialism in your country now?

[Zhivkov] First of all, I would like to express my satisfaction about being able to share with you, through the prestigious Uruguayan newspaper LA HORA, some thoughts and considerations about Bulgaria. I think this will contribute to a better understanding of our two friendly countries and peoples.

To answer your first question I am going to make a brief historical review. A comparison with the past will allow us to better understand and appreciate what we have achieved.

On 9 September 1944, under the leadership of the Bulgarian Communist Party and with the decisive help of the Soviet Army, which was dealing devastating blows to Hitler's invaders, our people defeated the monarchical and fascist regime, and Bulgaria began to walk down the path of socialism.

However the Bulgrian revolution inherited from capitalism an impoverished country, a country whose people lived in continuous misery, a country with more than 2 million illiterates or semi-illiterates, a country in which there was an oppressive social structure. Because of its level of economic development at that time, Bulgaria was in second to last place in Europe.

To illustrate what we have achieved in 4 decades, under socialist conditions, I am going to use some data. The current annual GDP is 23 times larger than that of 1939, the best year for the Bulgarian capitalist economy. For that same period, the national per capita income increased 9.8 times, and industrial production increased 92 times. Over the past 30 years, the people's real income has increased more than 4.3 times. Moreover, the social welfare funds have increased 15 times. These funds are used to guarantee free education and medical services, to pay pensions and monthly allowances for children, to develop entertainment and rest sytems, etc.

The fact that in the field of electronics Bulgaria has become a first-line producer among the socialist countries shows the profound changes that had taken place due to the industrialization process in the country. Almost 70 percent of our exports to socialist countries are made up of electronics and metal working industry products. We are also in a good position in the field of chemistry, foodstuffs and light industries.

There was also great development in the agriculture field. We have carried out a socialist restructuring in the agricultural sector and we have been able to technologize and modernize it. By using the same arable land, but reducing the number of people employed in the sector in absolute terms, at present we are able to obtain a production that is figuratively speaking able to feed twice the number of Bulgaria's population. We have agro-industrial complexes that apply modern scientific and technological methods in agriculture and live stock farming. It is the general opinion that Bulgarian agriculture is one of the most concentrated in the world.

Our development in the educational, scientific and cultural areas is also well-known. Bulgaria today has 4,109 educational centers which house over 1.5 million people; of this amount, 101,500 are university students, including foreigners. Over 80,000 people are directly employed in scientific activities or scientific-related fields serving the national economy. The state is alloting more annual resources to promote science, education, cultural and artistic development.

Our friendship and cooperation with the Soviet Union and the other socialist countries is above all a solid basis and an important factor for the successful development of our country. In business circles, Bulgaria is a respected and desired economic partner. We maintain active economic ties with developing countries and we expand mutually advantageous cooperation ties with highly developed capitalist countries.

These are very briefly some of the goals that have been achieved along the path of socialism.

During this relatively short period of time in which we have built socialism, our society has experienced different developmental stages. These stages are absolutely necessary. The building of a new society begins by giving a socialist approach to social relations. This task demands a transition period from capitalism to socialism. It is within the framework of this period that the capitalist property in the industrial sector is nationalized, the agricultural sector is collectivized, and radical changes take place to dominate cultural activities. In general terms, we ended the transition period around the end of the 1950's.

We are now building developed socialism. The theoretic princple of this stage in the building of a socialist society is established in the Bulgarian Communist Party program adopted in 1971. The program upholds, and this has been proven in practice, that the building of a developed socialism will be a long-term historic process. We link this stage with the development of the socialist democracy, and with achieving a new level of life for workers. In sum, it deals with expressing more openly the historic advantages of socialism.

I would like to note that when speaking of the stages needed to build socialism we are guided by the idea that there is and there will always be a mutual understanding and interrelation between the different stages of socialism development.

[LA HORA] What do the people of the new Bulgaria expect in the wake of the decisions of the 13th BCP Congress?

[Zhivkov] The BCP congresses are high points in the life of the Bulgarian people and of the country at large. At these congresses the party outlines its political course of action and the strategy for the development of the country. Within this context the 12th BCP Congress was exceptionally meaningful.

During the preparatory stages for this congress we held fruitful talks. The people were able to discuss the draft documents that were subsequently presented at this congress. This is why we say that this congress was actually a forum for all the people. It epitomized the people's desire to work harder and better for a richer and happier life. This makes us believe that the decisions of the 13th BCP Congress are vital, and will be successfully implemented. We have drafted our party's strategic guidelines on improvements in the economic and social levels, and in all social sectors according to these decisions. We must intensify our economic development, change the structure of our productive sectors, and introduce numerous new technologies.

The most important aspect of this question is to ensure improved social benefits from productivity, and an increased national income based on a scientific and technical revolution, thus better metting the material and spiritual needs of the people.

We realize that the goals we have set during the Congress are great and complex. These goals, however, are set on the basis of the logical necessity that our country has of growing faster, and on the need for Bulgaria to become a highly developed socialist nation, capable of facing the challenges of the 21st century.

In order to reach these goals, we have implemented essential changes in the planning, management and activities of the state organizations. We have given special emphasis to the economic self-management of the socialist enterprises, to the self-management of the workers collectives, and to the self-management of all the other sectors. We have attempted to create an economic and ideological atmosphere that guarantees the desired increased productivity, and that encourages the social initiative of the workers. To reach these goals, we can count on the support of scientists and artists, on the constructive contribution of the workers and experts, and on the efforts of the rural workers.

[LA HORA] How does the People's Republic of Bulgaria contribute to the defense and consolidation of world peace?

[Zhivkov] Time and again I have said, and I will repeat it not, that the greatest concern in the current international situation -- so complex and full of danger -- is to defend and consolidate peace, to put an end to the arms race in general, to eliminate the danger of a nuclear cataclysm. The destiny of the entire human race, not just that of certain countries or regions, depends on it. Our times require that new emphasis be given to international relations, and to a new political philosophy. We believe that all countries and governments -- big and small, nuclear or nonnuclear -- have joint responsibility for the protection of life on this planet.

The People's Republic of Bulgaria fully supports the USSR peace initiatives aimed at eliminating nuclear weapons before the end of the century, at creating a worldwide international security system, at immediately putting an end to nuclear tests, etc. We support all initiatives serving the cause of peace.

The Gorbachev-Reagan meeting in Reykjavik was a great political event toward this end. It is true that, despite the constructive Soviet platform, this meeting did not reach any specific agreements. Nevertheless, after the meeting the atmosphere has changed in the world in the struggle for nuclear disarmament.

Within our country's possibilities, we are conducting a consistent and steady fight for peace and security, peaceful coexistence and equalitarian cooperation among states with different social systems. In the last few years, the People's Republic of Bulgaria has taken the initiative to host great social events, such as the World Parliament for Peace, the East-West business meeting, the assembly of the "Peace Flag" Movement, the international labor meeting "Peace and the Labor Unions," the meetings of the agrarian parties and organizations, the international writers' meetings in Sofia. We have made many other initiatives of great humanitarian importance.

Bulgaria is located in the central part of the Balkan Peninsula, and obviously, our foreign policy efforts are focused on this region, which in the past had been called the "powder keg" of Europe. We favor the development of cooperation among all Balkan nations, the establishment of mutually advantageous economic and cultural ties, and the consolidation of friendship among the Balkan peoples.

Our country has proposed the idea of turning the Balkans into a zone free of nuclear weapons. Together with the Socialist Republic of Romania, we have also proposed the creation in the Balkans of a zone free of chemical weapons.

Not long ago Greek Prime Minister Andreas Papandreou and I signed in Sofia a declaration of friendship and cooperation between the People's Republic of Bulgaria and Greece. This declaration has been much appreciated by international public opinion. The same fact that a document of this nature is signed by states of differing social regimes which belong to opposing political-military alliances, shows that the possibilities of strengthening the climate of cooperation in the Balkans are great.

The Dimitrov Legacy [subhead]

[LA HORA] What memories does the young Bulgarian generation have of the immortal example of Georgi Dimitrov and how do they pay him homage?

[Zhikov] For all generations who build socialism in our country, Georgi Dimitrov is a great son of Bulgaria, an illustrious figure of the Communist movement, a Bulgarian and international worker, and one of the greatest revolutionaries of the 20th century. His name and his works are an inspired example of patriotism and internationalism, and of absolute loyalty to the ideals of peace and social progress.

I was a contemporary of Dimitrov's. Our generation grew and was tempered under the extraordinary influence of his feats in the titantic duel with Nazi-fascism during the Leipzing Process. Under the leadership of Dimitrov, this generation led the struggle against fascism to the final victory, and laid the foundations of socialist society in Bulgaria.

Immediately after the socialist revolution, Georgi Dimitrov pointed out that in a country like ours, there was no alternative but to achieve in 1 or 2 decades the economic and cultural development that other countries and peoples took centuries to achieve. His legacy has been fufilled.

As for the bond between Georgi Dimitrov and the younger generation of Bulgarians, we can point out that the organization of young Bulgarians is named after him. It is called the Dimitrov Communist Youth Union. Bulgarian youths are well informed about Georgi Dimitrov's life, and they praise his revolutionary work. Moreover, their education is based on the Dimitrovian spirit.

The new generation is growing up under socialist conditions. Solid sociopolitical and socioeconomic guidelines have been established for its physical and spiritual development. But of course it is logical for youths to have high aspirations is studies, sports, and work. They seek new paths of achievement. We are happy about all this and we are certain about the future of our youth.

But allow me to take advantage of this question to again refer to the issue of peace and war. The rich ideas that were inherited from Georgi Dimitrov are the patrimony of the revolutionary workers movement, of all who have given their lives in the struggle for peace and independence, for freedom and social development. In the 1930's during the impending threat of world war, Dimitrov launched the idea of creating single popular fronts on a classist basis and at the national level to struggle against reactionary and militaristic forces. World War II, which was ignited by fascism, ended with the victory of democratic forces in several countries.

Today we are also experiencing times of great responsibility, times that are unprecedented in the history of humanity. If there is a nuclear war, there will be no winners. It is obvious that the antiwar movement confronts us with new tasks, and that it takes on new characteristics and new dimensions.

The threat of nuclear holocaust faces all of us. But we can overcome it with the joint efforts of all states, governments, peoples, political parties, and mass movements of all men on earth, regardless of their class, nationality, ideology, or religion.

The Unity of Communists and Peasants [subhead]

[LA HORA] What is the role of the alliance between workers and peasants and the participation of the peasants in the building of the new society?

[Zhivkov] Socialism is a society that does have exploiters nor exploited, it is a society of working men. This is the reason why the political alliance between the working class and the peasants has an extraordinary importance in the struggle for victory of the new social regime and its building. It is an historical fact that the main merit for the creation of the alliance between the workers and the peasants in our country belongs to the Bulgarian Communist Party. Since the creation of the party in 1891 it began to fully disseminate the ideas of Marx and Engels in Bulgaria's rural areas.

The Great October Socialist Revolution decisively influenced the transformation of the BCP into a new type of party, a Leninist party. Its indoctrination with the ideas of Lenin on the worker-peasant alliance was essential for this transformation. On this base and in accordance with Bulgaria's specific conditions, our party undertook the task of creating a combative worker-peasant alliance.

Several member of the Bulgarian National Agrarian Union [BNAU] have struggled to bring about this alliance. The BNAU, created at the beginning of this century, soon became an influential political force which played its own role in the fight against bourgeois reactionaries and left its own mark on Bulgaria's social and political lifestyle. Many BNAU militants suffered, along with the communists, from the persecutions that the fascists unleashed.

All of us, communists of BNAU members always bear in mind that the BNAU-BCP alliance was forged during the joint struggle of these organizations against the common enemy. Bias and mutual distrust were overcome during this struggle and joint efforts helped to clear away the obstacles created by the enemies of the unity between the communists and the BNAU.

The history of the peasant-workers alliance in our country is undoubtedly rich and enlightening. It was established to defend to interests of the workers and the peasants in their struggle against capitalism and fascism and it gained strength from the uprising in September 1923, the first antifascist uprising in the world, and during the years of armed antifascist resistance between 1941 and 1944.

In the building of Bulgaria, we communists work side by side with the BNAU. Together we are finding ways and means for further industrialization of agrarian products and for the technological enhancement of the agricultural sector by applying to it the achievements of the scientific and technical revolution.

The BCP and the BNAU are fraternal parties. We have no political differences. The fact that our society is free from hate among classes, nationalities and social strata in general, the fact that there is no classist political opposition against socialism, is to a great extent due to the role that the unity between communists and the BNAU has played and still plays.

In conclusion, I would like to take advantage of this opportunity, which has been kindly made available to me, to convey my friendly greetings to the readers of LA HORA. I would also like to extend my sincere wishes for further development and improvement of relations between Uruguay and Bulgaria and for the progress and well-being of the friendly Uruguayan people.

BULGARIAN-SOVIET WORKING GROUP ENDS SESSION

AU212003 Sofia Domestic Service in Bulgarian 1830 GMT 21 Nov 896

[Text] The 15th session of the Permanent Working Group of Economic and Scientific-Technical Cooperation between the People's Republic of Bulgaria and the USSR in the transportation sector ended in Sofia today.

The draft of a program for the intensification of cooperation between the two countries in the period up to 2000 was discussed. A program of integration in the field of transportation and road construction is being prepared. These documents envisage putting the scientific-technical progress achievements into practice more rapidly and they provide for the development of direct production relations, as well as for an increase in the efficiency of freight transportation in the 1986-1990 period and during the period up to 2000. The progress of work to establish Bulgarian-Soviet joint economic organizations was also discussed at the session. Measures were mapped out and agreed upon for a high-quality implementation of freight transportation until the end of the year. Preparations for 1987 were also discussed. A protocol was signed on the talks held by Minster Vasil Tsanov, and by Viktor Biryukov, deputy chairman of the USSR State Planning Committee.

TSANOV RECEIVES VISITING CPSU DELEGATION

AU222104 Sofia Domestic Service in Bulgarian 2030 GMT 22 Nov 86

[Text] A delegation of the CPSU Central Committee led by Sergey Zasukhin, deputy chief of the Agriculture and Food Industry Department of the CPSU Central Committee, has been on a visit to Bulgaria at the invitation of the BCP Central Committee.

The delegation was received by Comrade Vasil Tsanov, and had meetings with the National Agroindustrial Union, the Agricultural Academy, and the okrug BCP committees of Burgas, Varna, Tolbukhin, Silistra, Ruse, and Pleven. Members of the delegation visited economic organizations, institutes, and enterprises in Bulgaria.

There was an exchange of views on a broad range of issues relating to the party leadership of agriculture and the work on intensifying the processes in the branch on the basis of the latest achievements of science and leading experience. Today the delegation departed for the USSR.

HUSAK ATTENDS CEREMONY ON GOTTWALD ANNIVERSARY

LD221207 Prague Domestic Service in Czech 1000 GMT 21 Nov 86

[Text] A solemn ceremony was held today at the national monument on Zizkov Hill in Prague to mark the 90th anniversary of the birth of Klement Gottwald, an outstanding representative of the CPCZ and the international communist movement.

To the accompaniment of the March of the Fallen Revolutionaries and military honors, wreaths from the CPCZ Central Committee, the president of the Republic, the Federal Government, the Federal Assembly, and the Central Committee of the Czechoslovak National Front were laid at Klement Gottwald's tomb in the Central Hall of the monument by Gustav Husak, general secretary of the party Central Committee and president of the republic; Lubomir Strougal, the Federal Premier; Vasil Bilak, Karel Hoffmann, Alois Indra, Antonin Kapek, Josef Kemny, Josef Korcak, and Jozef Lenart, members of the Presidium of the party Central Committee.

Also present were Josef Haman and Ignac Janak, candidate members of the CPCZ Central Committee Presidium; Mikulas Beno, Josef Havlin, and Jindrich Polednik, secretaries of the party Central Committee; Zdenek Horeni, member of the Secretariat of the party Central Committee, and Jaroslav Hajn, chairman of the Central Control and Auditing Commission of the CPCZ.

Respects to this important CPCZ and working-class figure were also paid by delegations of the Czech government, the Czech National Council, the Central Committee of the Czech National Front, the CPSL Central Committee, the Slovak government, the Slovak National Council, and the Central Committee of the Slovak National Front, and by a joint delegation representing the South Moravian Region, the Vyskov district, and the town of Dedice -- Gottwald's birthplace.

Wreaths were also laid in honor of Klement Gottwald's bequest by representatives of the Czechoslovak Pepole's Army the Federal Ministry of the Interior, and the People's Militia, and by representatives of party and state bodies and public organizations from Prague city and the Central Bohemian Region.

The solemn ceremony ended with the Internationale.

Kapek, Jakes Speak

LD221217 Prague Domestic Service in Czech 1730 GMT 21 Nov 86

[Text] [Announcer] Festive and commemorative events to mark Klement Gottwald's 90th birthday have taken place in many places throughout Czechoslovakia. Lubos Lidicky reports on a gathering of citizens and young people of Prague:

[Lidicky] Around 10,000 citizens of Prague from factories, enterprises, and schools gathered at the Klement Gottwald statue on the Vltava Embankment. They carried with them banners, slogans, red flags, and pictures of Gottwald. After the playing of the national anthem Antonin Kapek, member of the Presidium of the CPCZ Central Committee and chief secretary of the Prague party organization, took the floor. In his speech he assessed the life and work of the great son of the working class, an important revolutionary and politician. He devoted a large section of his speech to Klement Gottwald's relationship with Czechoslovakia's capital city. In this connection he said:

[Begin recording] Linked with his name and his uncompromising and fearless conduct are many workers' meetings in Karlin, Liben, Michle, and Jinonice during the struggle for the bolshevization of the party. Linked with his name and courageous conduct are many meetings and demonstrations held in the streets of Prague in the thirties against high prices and unemployment, and against the ascendant fascism. His name was subjected to drastic actions by the bourgeois police.

Meetings between Klement Gottwald and workers in the Kolbenka Works, the Pragovka Works -- who put his name on their banners -- and in other factories have been inscribed forever in the history of our post war path to socialism, as have been many of his speeches in Prague's Lucerna Hall on 12 May 1945, during which he outlined the concept of CPCZ policy, the line of transforming the national and democratic revolution into a socialist one. Inscribed in history was his speech at the constituent congress of the CSSR-Soviet Friendship Association in the National Theater with the ever-valid slogan "With The Soviet Union Forever and Never Otherwise." [applause]

And of course above all the Old Town Square in the days of February 1948, from where his appeal for a united course of action in the struggle against reaction and for socialism was accepted by the working people throughout our homeland, is linked inherently with his name. This is how the working class and revolutionary Prague knew Comrade Klement Gottwald. This is why it loved him and this is why he became its klema [diminutive of Klement]. And this is also why it gave him unequivocal and resolute support in the most decisive moments in our history. [end recording]

[Announcer] This much is from the speech made by Comrade Antonin Kapek at a meeting of citizens and young people of Prague. Let's now go with Jaroslav Rektor to the birthplace of Klement Gottwald, to Vyskov-Dedice, where the main speech was delivered by Milos Jakes, member of the Presidium and secretary of the CPCZ Central Committee.

[Rektor] In the opening part of his speech he highlighted the importance of the rebuilt memorial to Klement Gottwald, opened today, which is a dignified edifice dedicated to the memory of this important representative of the Czechoslovak and international workers' and communist movement. He paid tribute to the contribution made by Klement Gottwald through his life, work, and accomplishments and to his merits in the development of the CPCZ and the state. In particular he paid tribute to his organizational role in the revolutionary year of 1948 and during the period of building socialism. Comrade Jakes recalled that the legacy of Klement Gottwald's work is still valid both on the international scale and in the life of our society. In this connection Comrade Jakes said, among other things:

[Begin recording] When we commemorate today the 90th anniversary of Klement Gottwald's birth, we are not evaluating the past alone, we are drawing lessons from it for the fulfillment of the demanding tasks of the present, set this year by the 17th CPCZ Congress. This congress set as a strategic task the acceleration of the social and economic development of society by way of intensification -- an all-round increase of quality and effectiveness of production. To put it briefly, the issue is to link socialism and its planned economy to scientific and technological revolution, to demonstrate thereby its superior features in one of the most important areas, and to surpass capitalism economically through the attainment of a higher productivity of society's labor, as Lenin always stressed.

The path toward this is a broad development of cooperation, production sharing, specialization, and the establishment of direct ties with enterprises of the CEMA member-countries, and in particular with the Soviet Union. These are the basic conditions of the further all-round development of society and the growth of the living standards of people.

The fulfillment of these demanding tasks requires every citizen to do his or her work responsibly and well, and to take an active part in management and administration. As far as this activity is concerned, to which Klement Gottwald attached major importance, it is most urgent to promote and use it as much as possible. This is why we place such an emphasis on the deepening of socialist democracy; on the correct functioning of the entire political system, trade unions, youth, and the entire National Front; and on the development of the National Committees and raising the independence of their work in the interest of meeting the population's need for quality.

We have embarked on the implementation of the resolutions of the 17th congress in all sectors of our life. Their implementation calls for new attitudes. We cannot be satisfied with mediocrity. We must overcome inertia and routine and apply new forms and methods of work, which will not be achieved without a change in thinking, without a struggle against all that still impedes our progress. The conduct of Soviet Communists in implementing the resolutions of the 27th CPSU Congress ought to be an inspiring example everywhere in our country. [end recording]

[Rektor] After Comrade Milos Jakes' speech at today's rally held to mark the 90th anniversary of Klement Gottwald's birth in Vyskov-Dedice the participants in the rally approved a letter to the CPCZ Central Committee. In it they voice their resolve to fulfill in their totality all the tasks set for the district by the 17th CPCZ Congress.

MISCARRIAGE OF JUSTICE IN SLOVAKIA CRITICIZED

AU201505 Bratislava PRAVDA in Slovak 15 Nov 86 p 2

[Editorial article: "He Who Trudges Along Will Not Run Away..." -- passages between slantlines published in boldface]

[Excerpts] A few years ago PRAVDA reported on the large-scale criminal activity perpetrated by the management of the Restaurants and Public Catering [RAJ] enterprise in Povazska Bystrica. We do not want to return to the case in any great detail; it was so wide-ranging that the Povazska Bystrica District Court has accumulated about 100 kg of paper on it. [passage omitted]

We only want to focus on a single aspect of it.

On 13 August this year CSSR Prosecutor General Comrade Fejes sent a letter to CSSR Premier Lubomir Strougal, in which he writes: "It was ascertained in the course of the penal proceedings conducted because of the breach of economic discipline at the enterprise directorate of RAJ Povazska Bystrica that in the 1979-82 period the fulfillment of the retail trade turnover plan was rigged to the tune of Kcs34,644,000, whereby the enterprise undeservedly obtained Kcs4,445,000 for its fund for special remunerations, bonuses, and cultural needs.

"In addition to these unwarranted benefits, on 27 April 1980 the enterprise received the Red Banner of the Sixth 5-Year Plan, which is awarded by the CSSR Government and the Central Trade Union Council [URO], and on 23 April 1981 it received the CSSR Government's and URO's Letter of Recognition."

[Passage omitted] At the close of the letter the CSSR prosecutor general demands that the unwarranted benefits extended to the enterprise or to its individual employees be rescinded.

Aside from the aforementioned awards conferred on it by the CSSR government and URO, in 1981 and 1982 the enterprise also received the Red Banner of the Central Slovakia Regional National Committee.

The reader may ask: Are the CSSR Government and URO to blame for this? Certainly not! Their decisions were based on phony, rigged data. Or is perhaps the party as a whole to blame? A hundred times no! The party has never identified with the practices of individuals or groups who violate its policy. [passage omitted]

But here is another possible question, which we are unable to answer: What were the relevant inspection agencies doing? How is it possible that they allowed documents to be forged and managers to engage in their wheeling-dealing? /And, moreover, we have a logical and legitimate question of our own: Where are in which way did the recommendations for the awards come into being? Who approved them at the district and regional level? Why were the recommendations made to the CSSR Government and URO, and who made them ? We deliberately leave this question open . . . /

The prosecutor general's letter passed through several institutions. The last one to have expressed his stand on it was Comrade Medved, deputy chairman of the Centeral Slovakia Regional National Committee. In his letter dated 24 October 1986 he proposes to Comrade Zelko, minister of trade of the Slovak Socialist Republic, that the benefits extended to RAJ Povazska Bystrica be repealed because of the criminal activity of former director Beles and his fellow workers. [passage omitted] In the letter he writes, among other things: "We must recover from RAJ Povazska Bystrica the unjustifiable bonuses paid out from the managers' fund for the 1979-82 period and claim compensation for damage caused by incorrect fiscal policy and decisionmaking (Kcs28,420 from Urban; Kcs13,803 from Gold; and Kcs45,334 from Engineer Mokras)."

Who are these fellow? Under the directorship of Juraj Beles, the main organizer and mastermind of the entire chain of unlawful activity, Urban was deputy director in charge of commercial affairs; Gold was head of the information system; and Mokras was deputy director in charge of technical affairs.

In the meantime, the Regional Court in Banska Bystrica sentences Urban to a suspended term of 14 months, Gold to a suspended term of 18 months, and Mokras to a suspended term of 12 months "for a 2-year probationary period." /Look what a humane judiciary we have!/

One more thing is worth adding. One of the sentenced has begun to study at the Evening University of Marxism-Leninism this year, apparently as a promising cadre, and Mokras has a function in the People's Militia.

The question inevitably comes to mind: Where, in fact, do we live? In an orderly socialist state. Certainly. But how is it possible that we tolerate Kocurkovo [fictitious village noted for the blundering simplicity of its inhabitants] in this state? Let a judicious person answer this question for himself.

FOJTIK'S SOVIET VISITOR IDENTIFIED AS 'BOLDYREV'

AU211414 Bratislava PRAVDA in Slovak 19 Nov 86 P 2

[CTK report: "Exchange of Experiences"]

[Text] Prague (CTK) -- Jan Fojtik, candidate member of the Presidium and secretary of the CPCZ Central Committee, received Vladimir Boldyrev, chief of the Main Administration for Safeguarding State Secrets attached to the USSR Council of Ministers, in Prague yesterday. [paragraph continues]

In the course of a friendly conversation they exchanged experiences from work in the sector of information policy and communication media. The talk was attended by Otto Cmolik, head of a CPCZ Central Committee department, and Zdenek Cermak, chairman of the Federal Press and Information Office. Igor Cherkasov, councillor-ambassador of the USSR Embassy in the CSSR, was also present.

TRADE HISTORY, TIES WITH USSR REVIEWED

LD222059 Prague CTK in English 1200 GMT 22 Nov 86

[Text] Prague Nov 22 (CTK) -- The exchange of goods between Czechoslovakia and the Soviet Union is to reach 13,500 million roubles this year. The Soviet Union, Czechoslovakia's biggest trade partner, accounts for about 45 percent of its foreign trade.

Trade exchange between the two countries is of extraordinary significance for Czechoslovakia as it ensures a great part of its fuel and raw material needs. Raw materials, fuels and energy account for 70 percent of Czechoslovak imports from the Soviet Union, namely oil, natural gas, coal, cotton and iron ore. In November, 1985, the three hundred millionth tonne of iron ore was supplied to Czechoslovakia.

Iron ore has been imported from the Soviet Union since 1927. At that time, however, supplies reached about 14,000 tonnes annually. They substantially increased after World War II and mainly since 1960's when the East Slovak iron works in Kosice, East Slovakia, were put into operation with the help of the Soviet Union.

Iron ore supplies further increased under long-term agreements signed between the two states for the past three five-year plan periods. Over 60 years, iron ore supplies rose from 13,600 tonnes to 13.4 million tonnes annually.

Of great significance for the further development of economic cooperation between the two countries is also an agreement on joint construction of the ore-mining and -dressing works in Krivoi Rog, signed by the Council for Mutual Economic Assistance member states. The construction of the new plant with the capacity of 30 million tonnes annually will create a firm material basis for further exports of iron ores from the Soviet Union to Czechoslovakia and other CMEA member countries.

HUSAK RECEIVES NEW BULGARIAN ENVOY

LD051426 Prague Domestic Service in Czech 1300 GMT 5 Nov 86

[Text] Gustav Husak, president of the republic, received at Prague Castle today Khristo Simeonov Petkov, new ambassador extraordinary and plenipotentiary of the People's Republic of Bulgaria to Czechoslovakia, who presented to him his credentials. In a friendly and comradely conversation, they noted with satisfaction that Czechoslovak-Bulgarian relations have reached higher standards at all levels and have been developing dynamically in harmony with the conclusions of the summit talks in Sofia in 1982. It was stressed that the fruitful mutual cooperation contributes not only successful fulfillment of the tasks of socialist construction in the two countries, but also strengthening unity and cohesion of socialist community in its struggle for averting nuclear war and preserving peace in the world.

SED CENTRAL COMMITTEE ISSUES COMMUNIQUE

LD212204 East Berlin ADN International Service in German 1908 GMT 21 Nov 86

["Communique of the Third Session of the SED Central Committee" -- ADN headline]

[Text] Berlin, 21 Nov (ADN) -- The SED Central Committee met for its third session in Berlin on 20 and 21 November 1986.

The Politburo report was given by Comrade Hermann Axen, member of the Politburo and secretary of the Central Committee.

Comrade Gerhard Schuerer, candidate of the Politburo and chairman of the State Planning Committee, explained the draft of the 5-Year Plan on the development of the GDR national economy in the years 1986 to 1990, and the draft of the national economic plan 1987.

Twenty-five comrades spoke in the discussion.

The final address was given by Comrade Erich Honecker, general secretary of the SED Central Committee.

The Central Committee endorsed the bills on the 5-Year Plan on the development of the GDR national economy in the years 1986 to 1990, the 1987 national economic plan, and the 1987 state budget plan, and referred them to the People's Chamber for discussion and resolution.

The Central Committee decided, on the basis of the party statute (Point 56) and the election order of the Central Committee, to carry out the reporting by, and new election of the party group organizers, their deputies, the heads of the department party organizations and the heads of the basic organizations, which are not subdivided into department party organizations, for the period from 2 March to 26 April 1987.

CHEMICAL WEAPONS BAN DISCUSSED WITH BELGIUM

LD221834 East Berlin ADN International Service in German 1618 GMT 21 Nov 86

[Text] Berlin, 21 Nov (ADN) -- GDR Deputy Foreign Minister Kurt Nier met the head of the Belgian delegation to the Geneva Disarmament conference, Ambassador Constant Clerckx, for talks in Berlin today. He outlined the GDR's peace policy and the socialist countries' proposals for a worldwide ban on chemical weapons.

The implementation of the GDR and CSSR initiative for the creation of a zone free of chemical weapons in central Europe would be an important step along this path, said Nier. He stressed the need to intensify multi- and bilateral negotiations in order to arrive at agreements to eliminate chemical weapons as soon as possible. Ambassador Clerckx particularly stressed his government's interest in a worldwide agreement on eliminating chemical weapons.

Ambassador Clerckx is heading a delegation from the Belgian Foreign Ministry, which was in Berlin to hold disarmament negotiations, especially on a ban on chemical weapons, with GDR Foreign Ministry representatives. An agreement on this was reached during the visit to the GDR by the Belgian prime minister, Wilfried Martens, in September 1986. The representatives of the two foreign ministries met in October for an initial disarmament consultation in Brussels.

BERECZ SPEAKS ABOUT CENTRAL COMMITTEE SESSION

LD212213 Budapest MTI in English 2124 GMT 21 Nov 86

[Text] Budapest, November 21 (MTI) -- "All resources must be mobilized in Hungary so that economic performance should come close to target figures or exceed them. To attain that aim, management on all levels should be improved, economic tools ought to be used more consistently and the work of the political institutions are to be further streamlined," Janos Berecz, HSWP CC secretary, told an international press conference in Budapest on Friday on the November 19-20 session of the HSWP Central Committee.

Janos Berecz stated that there had been a comprehensive debate in the session and 33 participants expounded their views on economic issues. The CC secretary attributed Hungary's economic problems to objective and subjective causes. Berecz mentioned, among the objective causes, the unfavourable external economic conditions, mainly changes in the prices of agrarian goods, oil and gas, and discrimination on Western markets. The country has considerable debt obligations. Although the 1986 harvest was the fourt best one in the past four decades, draught caused major problems all over the country. When covering subjective causes, Berecz referred to problems and difficulties in management policies and their implementation.

The CC session set as primary tasks to improve the quality of economic and political work, to restore the balance between production and consumption, and to further encourage interest in increasing production. A governmental scheme will be adopted to promote selective, export-oriented economic development and the transformation of the production pattern; price, wage and tax reforms are expected alongside endeavours to simply legislation as well as to strengthen social morals and improve attitude to work.

The CC secretary said that efforts would be made to improve the division of labour between the party and the government. The Central Committee, as it did in this recent session, is to identify the guidelines, whereas the government will be in charge of actually managing the economy.

Janos Berecz announced that in the forthcoming months the Central Committee would discuss technical development and the perspectives of economic work.

The CC session discussed no personal affairs, Janos Berecz said, adding that the Central Committee focussed its attention to the programme of action.

In answer to queries Janos Berecz said that Hungar's debts are higher than in 1984 but have not exceeded a tolerable limit. Consumption in Hungary is still higher than production. Although cuts in consumption by the population are not planned, conditions for consumption should be made more severe and certain austerity is required in personal consumption, too. A part of public consumption serves social-welfare purposes and cannot be curbed, but stringency is required in these fields, too.

Janos Berecz said that the recent Moscow summit of the CMEA had been a genuine exchange of view, held in an exceptionally good, informal atmosphere. The Gorbachev-Kadar meeting, the CC secretary stated, had once again proven that there are several common features in the policies of the two parties and the talks between the two general secretaries had been useful.

In answer to questions Janos Berecz said that Hungary promoted the endeavours for further streamlining the work of the CMEA and took initiatives in that field, too. The country presses, for instance, for a system of mulitateral accounting, direct relations between companies, and improving the operation of the CMEA organization.

MSZMP RESOLUTION ON ECONOMIC WORK TASKS

LD2200O1 Budapest MTI in English 2309 GMT 21 Nov 86

["HSWP CC Resolution -- Tasks To Improve Economic Work -- MTI headline]

[Text] Budapest, November 21 (MTI) -- The resolution of the Central Committee of the Hungarian Socialist Workers' Party on tasks to improve economic work, and on the guidelines of the 1987 national economic plan and state budget, was issued Friday in Budapest.

The resolution points out:

At its session on November 19-20, the Central Committee of the Hungarian Socialist Workers' Party reviewed the state of the national economy, the experiences of economic work realized since the 13th congress, and determined the main tasks in the interests of realizing the economic programme approved at the congress, and of fulfilling the 7th Five-Year Plan (1986-1990).

The Central Committee stated that the socio-economic programme approved at the 13th congress has met with the agreement of the people.

Implementation of the congress resolutions has begun. Socialist democracy has further developed, the self-government elements have strengthened in the life of society, and social participant in the preparation of decision has widened. The streamlining of the economic management system has continued.

The congress set the aim that the 7th five-year plan of national economy, along with the maintenance and stabilization of economic, balance, should be a schedule of efficient and gradually invigorating economic development, provide the basis for an increase in national income, for technical progress, for a tangible development in the living standards, and for an improvement in the living conditions of the population.

The Central Committee has established that economic development had not been invigorated in 1985-1986, and the results of the first year of the 7th five-year plan are unsatisfactory. Expenditures, including international payment obligations, investments, public expenses and personal incomes, exceed receipts. Consumption was higher than production.

The unappropriate performance of the national economy was also due to the unfavorable international circumstances and more limited sales opportunities. The world market prices of the major exports articles of Hungary, for instance wheat, maize, meat and meat products, vegetable oil, aluminium, and oil derivatives, dropped by 35 to 50 per cent. The long and harsh winter and the year long drought added to difficulties. In addition to external circumstances, the lag was also due to weaknesses in work and shortcomings in management.

National economic planning, regulation and the system of institutions did not ensure improvement of external and internal balance relations to the appropriate degree, and the exploration of new sources necessary to enliven the economy. The streamlining of the economic management system, as decided, was not realized consistently. The executive organs of the Central Committee and the government are responsible for the shortcomings of management, ands the inconsistencies of implementation and control.

The organization, assistance and control of implementing the resolutions is also unsatisfactory at the local party, state and social organs. The attitude which puts successful work as a top priority has not become general in the collectives of companies and institutions.

Effective management is hindered by the fact that the basic requirement of incomes developing in proportion with performances has not been enforced either in management nor in implementation. On the contrary, leniency is frequently shown towards people who do not fulfil their obligations. The violation of socialist norms, lawful regulations, and discipline of citizens and labour, is tolerated and not penalized.

The problems of the country's national economy, the extremely slow development, the difficulties of evolution occupy the public and gave rise to anxiety, the irregularities that violate general requirements, and local disorders cause honest working people, who represent the overwhelming majority, justifiable annoyance.

The Central Committee considers it an indispensable and pressing task to eliminate the obstacles in the way of enlivening economic development, to raise the standard of management, and to establish the political and social, organizational and personnel conditions necessary for the improvement of work.

I. [subhead]

The Central Committee considers attainment of economic-political targets set down in the resolution of the 13th congress, and realized in the 7th Five-Year Plan, to be the most important task of socialist building work. The 1987 national economic plan should also serve this aim. The Central Committee emphasizes that there is no other feasible way of fulfilling the social-economic programme than the invigoration of economic development by the improvement of work, and the rational utlization of resources.

-- Purposeful, well-organized and disciplined work complying with requirements is indispensable in all fields of social life, both in management and implementation.

-- Companies and workers should be made more interested in increasing performance.

-- The practice of consuming more than production should be eliminated.

1. Invigoration of economic development calls for streamlining the production pattern, accelerating technical progress, increasing austerity with material and energy, and improving export capabilities.

-- Companies should be made more interested in profitable production, and in decreasing costs. The expansion of profitable exports, and import substitution should be consistently encouraged.

-- A programme should be elaborated for making the work of loss-making or low-efficiency economic units profitable, the gradual elimination of central subsidies, and the phasing out of unprofitable production. The labour force relieved in the wake of structural changes should be employed in efficient economic sectors.

-- Technical development should be further put to the service of international competitiveness and profitability.

-- In the fulfilment of tasks in the national economy we should rely on making a better use of opportunities of economic cooperation with the Soviet Union and the other CMEA member states, the development of more advanced forms, including cooperation, specialization and cooperation between factories, and the establishment of joint companies and joint ventures.

Efforts should be made to develop reciprocally advantageous commercial and cooperation relations with the advanced capitalist countries and the developing countries, and to establish joint ventures.

The organizational and interest system of foreign economic work should be modernized.

2. The Central Committee considers it a priority of the 1987 plan and budget to increase economic performance and efficiency, improve the foreign trade and financial balance, transform the economic pattern, accelerate technical development and improve living conditions. The annual plan, economic regulation and management should focus attention on the selective invigoration of economic growth.

The basis for the better coordination of economic and financial processes has to be established through a greater increase of competitive production and export. The deficit of the budget has to be reduced mainly by moderating expenditures, and by extensive austerity measures.

The 1987 national economic plan envisages at least a 2 per cent growth of the national income.

Industrial production should increase by 2.5-3 per cent. Development of branches and companies that produce competitive products, and the streamlining of the structure of industry should be accelerated. The termination of unprofitable capacities, and the regroupment of manpower should be continued in certain fields of energetic and basic material industry. The production of processing industry, particularly of electronic specialized branches that represent advanced technology, as well as pharmaceutical industry, synthetics processing, vehicle industry and agricultural machine production, should increase beyond average.

A 4.5-5.5 per cent growth in the production of agricultural products over the 1986 level should be envisaged. Grain production should be higher than this year. The standard of animal breeding should increase. Food industry should increase the share of highly processed and good quality products, and reduce the specific costs of production.

Investment should mainly be concentrated on streamlining production and infrastructure that directly services this aim, and on increasing profit-producing capability.

The stabilization of the 1985-1986 living standard, and a modest improvement in living conditions should be ensured through the appropriate coordination of production, incomes and prices. The balanced goods supply of the population should be assured. The incomes of individual workers, and collectives should develop in proportion to their performance. Wage increases should be realized in a differentiated way in all places, on the basis of the attained results, and following the establishment of the financial background. Opportunities should be created at companies operating in an economic manner for them to realize higher than average increases in wages, and to increase employment. The low-profit companies, which do not, or only slightly increase their performances should be forced to maintain, or to moderate their wages-level, and exercise rational manpower management.

In 1987 foreign trade will be facing growing tasks. In rouble trade Hungary should strive for growing and balanced turnover, and in the balance of convertible-currency trade for a major improvement on 1986.

3. The system of economic management introduced almost two decades ago is viable, developing continuously and, in general, making a favourable impact on economy and social life. Assessing past experience it can be concluded that when the reform was introduced neither the central directing organs nor the economic organizations were duly prepared for the tasks arising from the new requirements. This shortcoming has not yet been fully eliminated.

The implementation of the resolution of the congress and support of the targets of the 7th Five-Year-Plan and the 1987 plan make it necessary that tasks marked out by the position paper of the Central Committee in April 1984 are implemented more rapidly.

-- The regulation system should promote that companies develop more rapidly, in line with their profitability. The development of the price system should also promote that profits reflects genuine performance. The earnings and wage regulation should provide for compliance between performances and the outflow of incomes, stimulate the reasonable regrouping of manpower, and more efficient manpower management. The required regrouping of manpower should be assisted by central measures and means.

-- Credits and financial tools should play a greater role in economic management.

-- Introduction of a new company and personal income tax system should be prepared.

-- Streamlining and modifying steps, which ensure that the certain benefits and services better adapt to the social situation and to actual need, should be implemented in social-welfare policy.

II. [subhead]

The Central Committee stressed that the most important task is to establish a unity of attitude and action which serve to realize the approved economic policy targets and the plan targets, and the emergence of social activity.

Greater order and discipline is needed in the entire society. In this interest, it is indispensable to strengthen party discipline, make control and the calling to account regular, and to firmly enforce the responsibility of local management organs and their leaders.

1. As the party is the acknowledged leading force of our society, of socialist building work, the people expect it to guide and set an example in the solving of timely economic tasks. A fundamental condition of progress is confidence between the party and the masses, the unity of the party and the people.

The most important task of the Central Committee and its executive organs is to define the strategic goals of economic policy, and to direct and control implementation.

An important condition of successful work is to enforce cadre policy. The executive organs of the Central Committee, the party organs and organizations should initiate the establishment of personnel conditions that ensure the successful solution of the economic tasks. They should take a consistent stand for independence to be accompanied by appropriate responsibility in the activity of leaders. They should not tolerate lack of principles, unpretentiousness, subjectivism in cadre and personnel work.

2. The Council of Ministers should play a greater role and assume greater responsibility for economic management, the co-ordination of major trends, the exact definition of national tasks, the removal of obstacles, and the organization and supervision of implementation.

Purposeful measures should be taken to improve management and streamline organization in institutions financed from the central budget. Through the reasonable use of the means available endeavours should be made for the institutions to carry out their obligations on a higher level, with a smaller staff and more rational management.

Social property should be resolutely protected, with the assistance of the honest living and working majority and the application of legitimate means, and people who neglect their work, harm smaller or larger communities, and violate laws and socialist norms should be called on account.

The Central Committee is firmly convinced that economic development can be accelerated and a secure foundation be created for further improvement in living standards and the prosperity of the people provided that the available resources are utilized efficiently and work is carried out with discipline, the resolution of the HSWP Central Committee emphasized.

MSZMP'S NEMETH INTERVIEW ON ECONOMIC PERFORMANCE

LD221905 Budapest Domestic Service in Hungarian 1500 GMT 22 Nov 86

[From the "168 Hours" program; interview with Miklos Nemeth, deputy director of the MSZMP Central Committee Economic Policy Department, by Economics Editor Mihaly Galik; date and place not specified -- recorded]

[Text] [Galik] In itself the fact that the submission concerned the tasks involved in improving economic work and the guidelines for the 1987 plan and budget reveals that the MSZMP Central Committee is dissatisfied with the economic results achieved in the past 18 months or 2 years. Let me ask you first of all: What is the situation of the economy now, toward the end of the year?

[Nemeth] If we look at the results achieved during the past 2 years, we can state briefly that a start has been made on the implementation of the congresss resolutions; significant progress has been made in very important areas; but at the same time the performance of the economy as a whole, primarily the invigoration of economic growth, has not come about; the process of strengthening the internal and external balance, which took place in earlier years, came to a halt. What is more, I have to say that by the end of this year this process is developing very unfavorably, for both the external and the internal balance.

[Galik] This manifests itself in budget deficit that is greater than planned and, in external relations, increasing rather than diminishing debts.

[Nemeth] It is not so much the size of the deficit that causes the main problem and worry -- although that also represents a burden for the present and future alike -- but the fact that these problems relating to the balance have not been coupled, so to speak, with an acceleration of economic growth. There has been no significant change in the economy either in the transformation of the structure or in a quantitative sense as measured by the increase in the national income. Thus we could sum up the situation by saying that in the past 2 years economic performance was less than planned, while at the same time consumption increased more than planned. This is the decisive cause of the halt experienced during the past 2 years in the progress made in the 1981-84 period the internal and external balance.

[Galik] This is when we usually ask about reasons, both the internal ones -- those that which depend on us alone -- and the external ones, beyond our control.

[Nemeth] There are indeed both external and internal objective factors, but in addition to these, the role of the subjective factors -- those that do depend on us -- have a significant, almost decisive, role. One group of the objective causes are those that are beyond our control. They are connected with changes in the external economic conditions that if only because of our size, we cannot influence, and that place considerable burdens on the Hungarian economy. For example, the situation that has recently developed in the oil market and that manifested itself in a steep fall in the price of oil has caused us very considerable losses in the past 18 months or 2 years as regards our oil derivatives. Further, in the market for agricultural products and in the market for products of the food industry, during the past 2 years there has been a considerable excess supply, along with certain protectionist elements, and these manifested themselves in prices that we can obtain for important products -- such as corn, wheat, meat or meat industry products -- that are 35-40 percent lower than 2 years ago.

[Galik] I do not wish to argue about these facts, nor can they be denied, but let me note nonetheless that there is no Chinese Wall between the external factors and the internal ones, those which do depend on us. Let us take the matter of agriculture. I believe that Ferenc Havasi also referred to this in his submission. If we appear in the world market largely with mass products, with wheat, unprocessed meat or hardly processed meat, the excess supply is so great that at present we are completely subject to market trends, and these are not particularly promising in the long term either.

[Nemeth] The weaknesses in our own work also manifest themselves in certain external factors that are often regarded as objective, which could be summed up as the losses in our terms of trade. After all, a great deal depends on us regarding the costs in our meat and food industry products, for example; particularly on how we package it, the faults in its quality when we deliver it, and how well we meet delivery dates. Thus there are significant reserves in this area. But we must regard our structural endowments as an objective factor, as we also regard the facts of the development policy over the past 30 years and the problems of the steel industry, the coal industry, the high-rise construction industry and of the meat industry. Among the objective factor, it must be noted that in the past 2-3 years our agriculture was hit by very great losses owing to drought. This is a truly objective factor that we could not do much about, and the extent of the resultant loss is approximately 10-12 billion forints.

In additions to the objective factors, however, the Central Committee did point out that internal factors -- the weaknesses of economic management, the work of leadership, the unsatisfactory competitiveness and efficiency -- have played a determining role in the fact that development did not accord with the requirements.

[Galik] To the best of my knowledge there were 23 speakers at the Central Committee session, and even if this does not mean that there were 23 sharply differing opinions, it suggests that there were substantial debates. What was the focus of the debates, and what were the most important conclusions?

[Nemeth] I believe that the development and shaping of economic policy always takes place amid debates. This is quite natural. There were questions such as the following. How can we break out from the imbalance in which we have found ourselves in the past 2 years? What channels of finance needed for this can we find? Does not the anti-inflationary economic policy approved at the congress and incorporated already in the 1986 plan reduce the scope for a policy aimed at disminishing subsidies, the ways and means and program for the transformation of the structure? As circumstances change in time, as well as in space and in content, of course from time to time we will have to return to these questions and will have to provide answers in accordance with the new requirements and conditions.

[Galik] In specific terms, what are the answers? What is in the resolution that points the direction to be followed?

[Nemeth] In order to reach acceptable external and internal balance from our present imbalance we must first and foremost make better use of our internal resources; we must improve our work. In addition, however, in the interests of technological development, technical progress, and the transformation of the economic structure, we must also make use to some extent of external sources as we have in the past. The leadership and the Central Committee adopted a position in favor of a combined solution regarding the resources. In this, however, improving internal work must be a crucial factor. The external sources can only supplement this.

The second point I would make is that we must be able to reach the stage where we can invigorate economic development, so that we can have more resources at our disposal for financing both internal and external goals. This requires a more resolute structural policy for the dynamic, progressive activities and spheres of activities. It also requires placing on economic foundations activities that today still consume the national income; or -- if this does not work -- liquidating, winding up, these activities.

Finally there are the means of economic management. I believe that after the 1984 Central Committee stance many things happened, and many of these were no small steps. I could mention, for example, the introduction of enterprise management, enterprise leadership forms -- a process which has been virtually concluded -- the publication of legal regulations and laws which were very significant -- such as the ban on dishonest economic activity -- and many other things. But if we look at the effects of these steps, I must state that they have been inadequate. In other words, the task of the coming years is to consolidate the steps we have already taken, to take care that they do not become empty and formal, to supplement this system of means with steps that are substantive, and to improve results. In this process 1987 will be a significant stage. Let me refer to the appearance of commericial banks, for example.

The Central Committee also dealt with certain long-term tasks, and the resolution states that we must prepare a new enterprise and personal tax system. I believe these will be very important steps and will complement the steps already taken.

[Galik] Given the productive capacity of the economy, its resources, and the income it generates, it may be asked what modifications must be carried out in distribution if we are to support these goals better than to date through distribution; by directing money where it can really generate profit effectively, by not tolerating a budgetary deficit like the present one, and so forth.

[Nemeth] It is common knowledge that we transfer, and have transferred, rather substantial income from enterprises that are functioning well to productive activities and enterprises that functions poorly and consume, or at least do not increase, the national income. This practice cannot be pursued in the future. So it must become clearer who contributes to the production of the national income and to what extent, and earnings must shape up differentially in proportion to this both for the enterprise and the individual. We also placed great emphasis on this previously.

[Galik] What I wanted to say was that this can be found in documents going back 5, 10, or 15 years.

[Nemeth] What characterized the earlier situation was that we only proclaimed these principles, without adjusting our system of instruments or our own thinking to them.

[Galik] Of course, when we tried to realize them consistently, the social pressure that necessarily arises on these occasions led the economic leadership to retreat. It did not want to accept the conlficts.

[Nemeth] Yes. The Central Committee has now unequivocally stated that we can make progress only with a distribution policy that reflects the proportions of the production of revenue. There is no other way, and in order for this to yield results it must be manifested more resolutely in practice. Of course, we must thus accept certain conflicts. It is sufficient for me to refer to employment policy. But conflicts will arise also from the fact that the development of the movement of resources will nt be a simple matter either.

[Galik] Of course, the debates are followed by decisions and resolutions. The Central Committee has adopted a position concerning the guidelines for next year's economic plan. Well, on this basis, what will happen next yeat? What plans can we realisticlly make?

[Nemeth] In the current situation we can realistically set ourselves the target of stopping and reversing the deterioration of the internal and external balance; of creating the resources and bsis, with a production policy that should now be selective and should serve the invigoration of economy growth; of stabilizing the living standard attained in 1985-86; and of laying the foundations for a modest advance in the circumstnces of life. For this we plan for next year an increase of at least 2 percent in the natinnal income, raising industrial production by 2.5-3 percent and agricultural production by 4.5-5 percent.

However, in the debate the Central Committee's evaluation of the situation was that this resolution can provide the foundations for only the first step of the solution, and it found it necessary to place on its agenda the long-term questions of development as well. It decided that this should take place in 1987.

GROUP RETURNS FROM PROPAGANDA STUDY IN USSR

LD222050 Budapest MTI in English 1927 GMT 21 Nov 86

[Text] Budapest, November 21 (MTI) -- A party workers' delegation of the HSWP Central Committee, which studied the practice of foreign policy information and propaganda directed abroad in the Soviet Union from November 17 to 21 at the invitation of the CPSU Central Committee, returned to Budapest on Friday. Headed by Janos Barabas, deputy head of department at the HSWP CC, the delegation held talks with Petr Slezkov, alternate member of the CPSU CC, and Albert Vlasov, first deputies of the Propaganda Department at the CPSU CC. The delegation met Valentin Falin, president of the APN press agency, and Gennadiy Gerasimov, spokesman for foreign affairs. Staying in Tallinn, the delegation met Karl Vaino, member of the CPSU CC and first secretary of the Central Committee of the Estonian Communist Party.

BRIEFS

ENERGY CONSUMPTION DOWN -- Energy consumption in the first 9 months of the year has been more favorable than planned; there has been a decrease of 0.6 percent in energy consumption compared to the same period last year. However, the consumption of the main material sectors increased by 0.3 percent. The consumption of the non-material sectors decreased compared to the same period last year, including a 1.1 percent decrease in municipal consumption and 2.6 percent decrease in the consumption of the population. Some 52.4 percent of the energy material consumed has been supplied by imports and 47.6 percent by domestic production. Among the domestic energy materials, the production of hydrocarbons has slightly decreased compared to last year but has slightly exceeded the plan. The coal mining industry has provided domestic trade with a total of 3.7 million metric tons of coal and briquettes. Electric energy consumption increased by 2.3 percent. There has been an increase in domestic production, including a 2.5 percent increase in electric energy produced by the nuclear power station. [Exerpts] [Budapest NEPSZABADSAG in Hungarian 30 Oct 86 p 1 AU]

LONG-TERM AGREEMENT WITH VOLKSWAGEN -- Budapest, November 21 (MTI) -- Pal Laszlo Toth, director-general of the Mogurt Foreign Trade company, and Horst Munzer, vice-president of the Volkswagen AG, signed a long-term basic agreement Friday in Budapest. Present at the signing was Jozsef Marjai, deputy chairman of the Hungarian Council of Ministers. According to the agreement, which covers the period until 1990, the Hungarian side is to purchase Volkswagen cars in return for Hungarian deliveries over the next years. By the end of 1987 500-1,000 Volkswagen cars are to be delivered to Hungary. Range is being extended and purchases are to increase. [Excerpts] [Budapest MTI in English 1900 GMT 21 Nov 86 LD]

HUNGARIAN-FRENCH TOURISM TALKS -- Budapest, November 21 (MTI) -- The 3rd session of the Hungarian-French joint committee for tourism ended Friday in Budapest with the signing of a protocol by Hungarian Deputy Minister of Home Trade Imre Vincze and French State Secretary for Tourism Jean Jacques Descamps. At the session the sides discussed timely issues of tourism between the two countries, and possibilities to extend relations. They agreed to strengthen cooperation between the Hungarian and the French tourism professional federations, and in the field of hotel industry and tourism, specialized education and extension training. They exchanged views on the inclusion of French capital in tourism development projects in Hungary. The French state secretary for tourism met Minister of Home Trade Zoltan Juhar, president of the National Tourism Council. [Text] [Budapest MTI in English 1737 GMT 21 Nov 86 LD]

ORZECHOWSKI CONTINUES JAPAN VISIT, MEETS LEADERS

LD222310 Warsaw PAP in English 2133 GMT 21 Nov 86

[Text] Tokyo, Nov. 21 -- Poland's Foreign Minister Marian Orzechowski on an official visit to Japan met here today with president of the Export-Import Bank of Japan, Takashi Tanaka. The two discussed financial aspects of developing Polish-Japanese economic cooperation and particularly the problem of restoring normal financial and credit relations between the two countries.

In the early afternoon, Minister Orzechowski with accompanying persons arrived in Osaka. He paid a visit to the city's Mayor Yasushi Oshima and met with D. Miyadoh, the vice-president of the Federation of Economic Organizations in the Kansai Region.

The programme of Orzechowski's visit to Osaka also included a visit to the Matsushita Electric Corporation and a tour of the firm's showroom presenting its latest scientific and technological achievements.

In the evening, Minister Orzechowski met with Tomonaru Eguchi, the president of the Daihatsu Corporation.

Concludes Stay

LD231546 Warsaw PAP in English 1415 GMT 23 Nov 86

[Text] Tokyo, Nov. 23 -- Polish Foreign Minister Marian Orzechowski concluded today his visit to Japan paid at the invitation of Japan's diplomacy chief Tadashi Kuranari.

During the Polish-Japanese talks, the sides expressed their satisfaction over the favorable development of cooperation in many fields, declared themselves for its further expansion, and for the continuation of bilateral political dialogue on various levels.

On behalf of Polish Prime Minister Zbigniew Messner, Minister Orzechowski invited head of the Japanese Government Yasuhiro Nakasone and -- on his own behalf -- Tadashi Kuranari, to pay official visits to Poland. The invitations were accepted with satisfaction.

Comments, Reviews

LD232122 Warsaw PAP in English 1928 GMT 23 Nov 86

[Text] Tokyo, Nov. 23 -- Speaking to PAP on conclusion of his visit to Japan, Minister Marian Orzechowski stressed that our Japanese partners, the Japanese Government, had shown a genuine willingness to broaden cooperation with Poland and promote its overall development, first of all in the field of economy. He added that there are a lot of possibilities to cooperate.

The potentials are tremendous in the field of advanced technologies, electronics, environment protection, and many others. This also applies to proposals connected with the modernization of Polish automotive industry. What matters is that the Japanese are genuinely interested in expanding this cooperation, the minister said.

Orzechowski emphasized that anywhere he had gone in Japan, he saw authentic signs of sympathy for Poland and an authentic interest in Polish history, but first of all, in Polish culture. Chopin and his music are a slug word here. This creates an additional climate that may facilitate and should facilitate economic cooperation, he said.

This visit has brought me to the conviction that our eyes should be turned more intensively, more sharply to that country and, more widely to that region, in particular, because the phenomena which start to occur here in the economic and technological spheres will, perhaps, decide on the future of civilization, the technical human civilization within the coming decades, stressed Minister Orzechowski.

VICE CHAIRMAN GORYWODA BEGINS PRC VISIT

For reportage of the visit of Vice Chairman Manfred Gorywoda to the People's Republic of China, see the Eastern Europe section of the 21 November China DAILY REPORT and subsequent issues.

SOVIET ENVOY EXAMINES PPR-USSR COOPERATION

AU172002 Warsaw TRYBUNA LUDU in Polish 5 Nov 86 pp 1, 2

[Interview with Vladimir Brovikov, Soviet ambassador to Poland, by Wlodzimierz Lozinski: "We Are Marking the Anniversary of Great October by Implementing the 27th Congress Resolution" -- date and place not given]

[Excerpt] [Passage omitted] [Lozinski] This year is also Vladimir Brovikov's first year as ambassador to Poland. Many interesting developments have occurred in Polish-Soviet cooperation during this period. What does the comrade ambassador consider the most noteworthy aspect of our bilateral relations?

[Brovikov] It really has been an exciting and very interesting period, one during which a whole mass of important events has taken place. The CPSU and the PZPR held congresses, which affirmed the existence of fraternal relations between our parties and people. The CPSU and PZPR Central Committees are carrying out an enormous amount of work, many-sided work, on strengthening and enhancing Soviet-Polish friendship and cooperation. The meetings and talks that Comrade Mikhail Gorbachev and Comrade Wojciech Jaruzelski have held together -- much attention was devoted to Polish-Soviet cooperation during them -- are of fundamental importance for the development of fraternal relations, of our relations as allies. The implementation of the "Comprehensive Program for Scientific and Technical Progress of the CEMA Member States through the Year 2000" and the "Long-Term Program for the Development of Economic, Scientific, and Technical Cooperation Between the Soviet Union and Poland Through the Year 2000" serves the interests of our countries.

The visits paid by Zbigniew Messner, chairman of the PPR Council of Ministers, to the Soviet Union, and by Nikolai Ryzhkov, chairman of the USSR Council of Ministers, to Poland have given a powerful impetus to our economic, scientific, and technical progress. Both visits were crowned by the conclusions of important agreements, which are gradually being put into effect.

Enhancing mutual understanding; finding new forms of cooperation; the level of cooperation; and combining the intellectual and material resources of both countries with the aim of raising efficiency levels in our economies and accelerating socioeconomic development in our countries -- these are matters that I consider to be of first-rank importance in our relations at the present time.

Economic activity is an important area of our cooperation but not the only one. Our links in the areas of science, education, health care and culture are entering a new stage. We are of one mind in our activities in the international arena, in the struggle for peace, security, disarmament, and greater trust between states on all continents.

[Lozinski] The mechanism of Polish-Soviet cooperation is being perfected. What do you, comrade ambassador, consider to be of the greatest importance in this field?

[Brovikov] We have already talked about restructuring the economic and sociopolitical life of Soviet society. The mechanism of Polish-Soviet cooperation is also being perfected. The most important issue in economic relations comprises new forms of cooperation that serve to accelerate the process of placing our national economies on the path of intensive development. What I have in mind are production cooperation and direct ties between industrial and research enterprises. Joint enterprises are being established. Border region trade is growing. Scientific and cultural contacts are being expanded. Optimal conditions are being created for all these directions of cooperation in the future. One can already talk about a qualitatively new level of cooperation between the Soviet Union and Poland.

Finally, I would like to say that the Soviet people highly value fraternal relations with Poland and with the Polish people, together with whom we are building a new society and fighting for the strengthening of peace on earth.

[Lozinski] Thank you.

COUNCIL OF STATE MEETS, APPOINTS ENVOYS

LD210007 Warsaw PAP in English 2122 GMT 20 Nov 86

[Text] Warsaw, Nov. 20 -- The Council of State has reviewed draft amendments to the law of July 20, 1983 on the system of People's Councils and local self-government.

The proposals of amendments concern the most essential improvements, postulated by organs of People's Councils and councillors, and introduction of which the Council of State deemed indispensable as a result of an analysis of the law's implementation following the two years it was in force.

The draft envisages, among other things: simplifying the procedure of issuing decisions on the locations of enterprises and plants, the possibility of relaying some matters by local state administrative bodies to state enterprises, plants and institutions subordinate to People's Councils.

The Council of State decided to address the Sejm (Parliament) with a legislative initiative.

It adopted a resolution on calling to life socio-economic councils attached to voivodship People's Councils, creating through this act the legal conditions for the realization of the idea outlined in the resolution of the 10th PUMP Congress. The creation of socio-economic councils is aimed at strengthening socialist democracy through the deepening of social consultations and the collaboration of People's Councils with workers' and cooperative self-managements and social organizations in solving key social and economic issues. The socio-economic councils will review and opine, among other things, on voivodship local plans, voivodship budgets and long-term plans of financial tasks.

They will also opine draft regional plans of town and country planning, speak out on the key matters of satisfying social needs, on draft regulations of the municipal law. The compositions of socio-economic councils will be named by voivodship People's Councils for the duration of its term from among people chosen by relevant bodies of social self-governments. The chairmen of socio-economic councils will be elected from among the deputy chairmen of voivodship People's Councils and other members of their presidia.

The Council of State has decided to form its own commission for natural environment protection. The formation of the commission is aimed at lending support to the activities of People's Councils in the field.

Assessing the effectiveness of the State Labour Inspectorate over the past five years, the Council of State said that, given the means it had and compared with corresponding effects achieved in other industrialized countries, the inspectorate's work had brought good results, although it is necessary and possible to make further swift progress.

Of particular value has been reduction in the number of fatal accidents, as compared with the figures for the previous five-year economic period, and lesser number of industrial accidents counted against the size of the workforce, the council said.

Noting that labour protection should be treated as an issue of particular social significance, the Council of State approved the directions of work of the State Labour Inspectorate and gave a high opinion of the considerably increased intensity of its control operations.

It also noted good effects of giving [as received] the inspectorate under trade union supervision, through union representatives on the council for Labour Protection.

In a preliminary assessment of the effects of the June 24, 1983, act on the Social Inspectorate of Labour, on the basis of data provided by the OPZZ (National Alliance of Trade Unions) group for labour, health and environmental protection, the Council of State noted steady growth of the social inspectorate and increase of its influence and activity.

The council approved OPZZ postulates concerning stronger social control over working conditions.

It ratified the 1974 Athens convention on sea passenger and freight transport and 1976 protocol to that convention.

Czeslaw Piotrowski was appointed ambassador extraordinary and plenipotentiary to Yugoslavia, and Tadeusz Strulak to the same post, and as Poland's permanent representative at the Vienna headquarters of the U.N. and other international organizations.

Piotrowski, 60, holds a doctorate in military science and its a division (two-star) general. A member of the PUWP, he was the mining and power industry minister from 1981 till 1986.

Strulak, 54, a career diplomat, has been a Foreign Ministry staffer since 1955 and his record includes the post of the first secretary at Poland's permanent representation to the U.N. headquarters in New York and the ambassador and chief delegate to the Central European Force and arms reduction talks in Vienna, in the years 1973-75 and 1975-81. A PUWP member, Strulak has until now been a department vice-head at the Foreign Ministry.

GOVERNMENT PRESIDIUM HOLDS SESSION 21 Nov

LD221749 Warsaw PAP in English 2115 GMT 21 Nov 86

[Text] Warsaw, Nov. 21 -- The Government Presidium held debates today to review, at the motion of the Secretariat of the Commission for Economic Reform, the purposefulness, range and method of introducing changes to the government draft of amendments to some laws on the functioning of the state economy and described the course of further works.

The Government Presidium next made a decision concerning the development of Warsaw Airport. The Okecie Airport terminal, with a capacity to service 700 thousand passengers annually, is currently servicing about 2 million, and the number is expected to rise to about 5 million passengers by the year 2000.

The present airport complex is to be modernized and a new airport terminal built to service 3 million passengers annually. The investment will be completed on credit principles by foreign companies which will be chosen through tenders, with the participation of specialized domestic companies.

The Government Presidium also acquainted itself with a report on rolling stock supplies in the years 1986-1990 and obliged concerned ministries to undertake activities guaranteeing the necessary level of supplies.

BRIEFS

YUGOSLAV INDUSTRIAL COOPERATION -- On 19 November Edward Grzywa, minister of chemical and light industry, received a delegation from the Economic Chamber of the Republic of Serbia headed by Stefan Sus, vice president of the chamber. The talks concerned an expansion of trade and technological cooperation between both countries, especially in the pharmaceutical and chemical industries. The possibility of direct contacts between Polish and Serbian enterprises was also discussed. The conclusion of scientific-technological cooperation agreements between relevant enterprises is called for, as well as a greater exchange of chemical products, mainly drugs, pesticides, and detergents. [Summary] [Warsaw TRYBUNA LUDU in Polish 14 Nov 86 p 2 AU]

ORZECHOWSKI RECEIVES SOVIET DELEGATION -- A delegation from the Personnel Administration of the USSR Foreign Ministry headed by Ivan Aboimov, member of the Foreign Ministry Collegium, has paid a working visit to Poland at the invitation of the Polish Foreign Ministry. The delegation was received by PPR Foreign Minister Marian Orzechowski and by Ernest Kucza, director of the PZPR Central Committee Foreign Department. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Nov 86 p 2 AU]

CEAUSESCU, HASANI RESUME TALKS 21 NOVEMBER

AU211133 Bucharest Domestic Service in Romanian 1100 GMT 21 Nov 86

[Text] Official talks between Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania, and Comrade Sinan Hasani, president of the SFRY Presidency, continued in Bucharest today.

The exchange of views on international issues stressed the concern of the two countries about the grave and complex situation in the world as a result of an intensified arms race, especially the nuclear arms race, the policy of force and diktat and interference in the domestic affairs of other states, the continuation of conflicts in various parts of the globe, and the serious world economic crisis and the increasing gap between rich and poor countries. The two sides stressed that, under such conditions, it is necessary for all states and all peoples to unite their efforts and cooperate more closely to halt the dangerous trend of events and to firmly promote the policy of detente and broad cooperation among nations.

During the talks, the sides emphasized the need to do everything to halt the arms race, to achieve tangible disarmament measures, primarily nuclear disarmament ones, and to build a world of peace without weapons and without wars, a world in which all peoples will be able to channel their creative energy in the direction of their socioeconomic progress.

During the talks, the two sides also stressed the particularly important role Europe and the peoples on this continent have to play in resolving the major problems of today, achieving disarmament, and in establishing an atmosphere of peace and security and of broad international cooperation. Special attention was paid to problems regarding the situation in the Balkans; the two sides stressed the importance of strengthening trust and understanding, developing cooperation among the countries in this area, and the importance of promoting relations of cooperation and goodneighborliness, and turning this area into a zone without nuclear and chemical weapons, without foreign military bases, and into a zone cooperation and peace.

The talks are taking place in an atmosphere of warm friendship, mutual understanding and esteem.

Hasani Visits Memorial

AU211145 Bucharest AGERPRES in English 1121 GMT 21 Nov 86

[Text] Bucharest, AGERPRES 20/11/1986 -- On Friday morning, Sinan Hasani, president of the Presidium of the Socialist Federal Republic of Yugoslavia, laid a floral wreath at the Memorial of the Heroes of the Struggle for the Liberty of the People and of the Homeland, for Socialism.

The ceremony was attended by Gheorghe Radulescu, member of the Executive Political Committee of the CC of the RCP, vice president of the State Council, representatives of the Ministry of Foreign Affairs, of the Ministry of National Defense and of the executive committee of the Bucharest Municipality People's Council, generals and officers.

Also present were the Yugoslav accompanying President Sinan Hassani on his visit to Romania.

A military guard presented arms. The national anthems of the two countries were played.

A moment of silence was kept after the wreath-laying ceremony. The rotonda of the memorial was then seen round.

Visits Economic Units

AU211735 Bucharest AGERPRES in English 1636 GMT 21 Nov 86

[Text] Bucharest, AGERPRES, 21/11/1986 -- The President of the Collective Presidency of the SFR of Yugoslavia, Sinan Hasani, and the officials, accompanying him in his Romanian visit, saw round, on Friday morning, the "Electronica" enterprise in Bucharest city.

The guests were accompanied in this visit by Gheorghe Radulescu, member of the Executive Political Committee of the CC of the RCP, vice-president of the State Council.

An exhibition displayed a wide range of black-and-white and colour T.V. with performances up to world technical standards and norms, radioreceivers, some of which are made in cooperation with enterprises in Yugoslavia, cassette recorders, electronic devices and equipment, other products.

Several production sections were also visited. The distinguished guest highly appreciated the achievements of the experts of the enterprise in supplying peak technologies for this modern industrial branch and wished them success in their activities, in the development of the relations of cooperation with Yugoslavia and other countries.

The museum of history of the Socialist Republic of Romania was also visited in the morning, where the distinguished guest got to know valuable evidence on the multimillennary history and civilization of the Romanian People.

The president of the Collective Presidency of the SFR of Yugoslavia signed the visitors' books of the visited objectives.

Talks Conclude

AU211740 Bucharest AGERPRES in English 1614 GMT 21 Nov 86

[Text] Bucharest, AGERPRES, November 21, 1986 -- Official talks concluded on Friday between President Nicolae Ceausescu and Sinan Hasani.

In the morning, the two presidents continued the analysis of some current international questions. In that frame, emphasis was placed on the two countries' preoccupation for the grave and complex situation existing in the world, as a result of the intensification of the arms race, nuclear in particular, of the policy of strength and dictate, of interference in other states' internal affairs, the continuation of conflicts in various parts of the world, the mounting world economic crisis, the growing gaps between the rich and poor countries.

They stressed during the talks the need for everything possible to be done for halting the arms race, for concrete measures of disarmament, nuclear above all, for the building of a world of peace, free of weapons and wars, where all peoples may concert the creative efforts on their economic and social progress.

Emphasis was placed on the particularly important role incumbent on Europe, on the peoples in the continent in the settlement of the major issues of today's world. In achieving disarmament, and building a climate of peace, security and broad international collaboration.

Special attention as paid to the problems referring to the situation in the Balkans, and the importance was stressed, of enhancing confidence and understanding, developing the collaboration among the countries in the region, promoting the relations of good neighbourliness, turning it into a zone free of nuclear and chemical weapons, free of foreign military bases, a zone of collaboration and peace.

Taking account of the worsening of the developing countries' situation, it was assessed that efforts ought to be intensified, for the global settlement of the problems related to the eradication of underdevelopment - including the exceedingly big foreign debts of those states - for the building of a new international economic order.

Emphasis was placed on the important role the small and medium-sized states, the developing and non-aligned countries had to play in the just and durable settlement, in the interests of all peoples, of the big issues facing mankind.

Nicolae Ceausescu and Sinan Hasani continued the talks in the afternoon, in the presence of the two delegations.

In that frame, the foreign ministers presented the results of the talks conducted during the visit, upon instructions from the two heads of state, by the members of the delegations, measures and actions for the further development of the friendly Romanian-Yugoslav relations both on a bilateral plane and in international life.

At the end of the talks, that proceeded in an atmosphere of warm friendship, mutual esteem and regard, Nicolae Ceausescu and Sinan Hasani expressed satisfaction at the results of the new Romanian-Yugoslav summit dialogue, expressing the confidence that it would contribute to the consolidation of the traditional relations of friendship and collaboration between Romania and Yugoslavia, between the RCP and LCY, between the peoples of the two countries, to the further development of their collaboration in the world arena, in mutual interest, in the interests of the case of peace and security, detente and understanding the world over.

They decided on the continuation fo the Romanian-Yugoslav summit dialogue, stressing its decisive role in the development of the friendly relations between the two countries, parties and peoples.

Hasani Departs

AU211743 Bucharest AGERPRES in English 1730 GMT 21 Nov 86

[Text] Bucharest, AGERPRES, 21/11/1986 -- The official visit of friendship paid to Romania by Sinan Hasani, president of the Collective Presidency of Yugoslavia, at the invitation of Nicolae Ceausescu, general secretary of the RCP, president of Romania, came to an end on Friday evening.

The departure ceremony took place at the Baneasa Railway station, where Presidents Nicolae Ceausescu and Sinan Hasani arrived together.

A military guard presented arms. The state anthems of the two countries were played. The two presidents reviewed the guard of honour.

Then the president of the Collective Presidency of Yugoslavia took leave of the Romanian officials who were there to see him off. Members and alternate members of the Executive Political Committee of the CC of the RCP, secretaries of the party's Central Committee, members of the State Council and government, other officials were present.

Nicolae Ceausescu greeted the officials who accompanied Sinan Hasani on his official visit of friendship to Romania.

On parting, Presdients Nicolae Ceausescu and Sinan Hasani shook hands at length, expressing again satisfaction at the talks during the visit, which accounts for an important moment in the strengthening of the multilateral Romanian-Yugoslav cvollaboration.

PEOPLE VOTE ON ARMS-TROOPS CUT REFERENDUM

Ceausescu Votes

AU231432 Bucharest AGERPRES in English 1209 GMT 23 Nov 86

[Text] Bucharest AGERPRES 23/11/1986 -- On November twenty-three Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, and Mme Elena Ceausescu were in the midst of the working people of the "23 August" enterprise in the capital city in order to vote by their side under the referendum on cutting by five percent the arms, troops and military spending of this country.

On arriving at the club of the enterprise, Nicolae Ceausescu and Mme Elena Ceausescu were welcomed by members of the Executive Political Committee of the CC of the RCP, respresentatives of the municipal party committee and of the great Bucharest worker collectivity.

The chairman of the Referendum Commission of the "23 August" works announced that all the working people of this worker citadel exerted their constitutional right to vote and said a firm "Yes" to disarmament and peace.

There followed a moment of great and profound significance: Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, signed the voting list of the referendum. This "Yes" for diminishing Romania's arms, troops and military spending is, under the current international circumstances, a political act of historic importance for the peaceful present and future of the country, of mankind.

The same option for peace and disarmament was expressed by the ballot of Elena Ceausescu.

Before leaving the club of the enterprise President Nicolae Ceausescu addressed the foreign journalists that arrived to cover the referendum on Romania's diminishing by five percent its arms, troops and military spending: "As you see, the Romanian people votes for peace. And we would like all peoples of the world to vote for peace.

"You can tell U.S. President Ronald Reagan and the general secretary of the CC of the CPSU, Mikhail Gorbachev, that all the Romanian children and people want peace.

"The children -- Soviet and American as well -- all peoples want peace and expect a gesture on this line, this year or the next year, the renunciation of the nuclear weapons, the achievement of understandings. This is our will, this is our vote.

"Let us work for Europe, America, Africa, all continents, all peoples to live in peace, without nuclear weapons.

"The press must help in the struggle for peace and I hope you will do it."

On leaving, President Nicolae Ceausescu and Mme Elena Ceausescu were once more saluted most vividly by thousands of Bucharesters on the plateau in front of the enterprise.

99 Percent Turnout

AU231424 Bucharest AGERPRES in English 1238 GMT 23 Nov 86

[Text] Bucharest AGERPRES 23/11/1986 -- According to data at the Central Commission for the Organization and Progress of the Referendum until 12,00 hours as many as 99.01 percent of the total 17,038,000 citizens with a right to vote and youth between fourteen and eighteen years of age had voted or been consulted.

Adding to the counties of Bacau, Bihor, Braila, Harghita, Ialomita, Iasi, Satu Mare, Sibiu, Suceava and Vaslui -- that until 11,00 hours reported conclusion of voting by all the citizens with a right to vote as well as the consultation of youth aged between fourteen and eighteen -- were, until 12,00 hours, the Bucharest Municipality, and the counties of Alba, Arad, Botosani, Buzau, Caras-Severin, Cluj, Dimbovita, Gorj, Maramures, Mures, Neamt, Salaj, Teleorman, Timis, Tulcea, Vilcea and Vrancea.

Returns

AU231721 Bucharest AGERPRES in English 1652 GMT 23 Nov 86

[Text] Bucharest, AGERPRES 21/11/1986 -- According to the Referendum Central Commission's figures, 99.99 per cent of the citizens of voting age and of the young people aged 14 to 18 years consulted in the referendum on the five-per-cent cut in arms, troops and military spending starting this year had reported to the voting stations.

The citizens' massive presence in the early hours of the day in the referendum which is another expression of Romania's revolutionary worker democracy has proved the unflinching will of the whole Romanian people to engage with all its forces and take an active part in the struggle for disarmament, for peace, for a better and more just world free of weapons and wars, a world of understanding and peaceful cooperation among all nations.

For the first time in the world, the Romanian youth was called to state its opinion on disarmament and peace -- vital questions for mankind, for peoples.

The November 23 national referendum, held in an enthusiastic, rousing atmosphere, showed the firm will of the Romanian people, closely united around the RCP, of its general secretary Nicolae Ceausescu to take action for the fulfilment of the thirteenth congress resolutions, of the RCP and Romanian state' home and foreign policy which fully meets the vital interests for progress, civilization and peace of the Romanian people, of all world nations.

FEC DISCUSSES DEATH OF ITALIAN BOAT'S CAPTAIN

LD220007 Belgrade TANJUG Domestic Service in Serbo-Croatian 1715 GMT 21 Nov 86

[Excerpts] Belgrade, 21, Nov (TANJUG) -- At today's session the FEC considered and accepted information of the compentent organs on the incident in the Bay of Trieste, which ended with the tragic death of Bruno Zerbin, captain of the Italian fishing vessel "Aurora," and on the situation which is being created in connection with this incident in relations between the two countries.

It was stated that the incident happened in Yugoslav territorial waters, where the Italian fishing boat was engaged in illegal fishing, and that it did not obey orders given by Yugoslav official organs in accordance with the regulations, to halt and identify itself.

The FEC expressed regret that this incident has taken place and in particular that on this occasion Bruno Zerbin had died in the unfortunate event.

The FEC believes that it is in the interest of the two neighboring countries among which there is otherwise a spirit of firm friendship and mutual trust, not to allow this unpleasant incident to provoke other negative consequences which could upset the good relations and cooperation between the two countries. It is necessary to make efforts to ratify as soon as possible a fishing agreement for the Bay of Trieste and to avoid a repetition of similar incidents. It was concluded, the Federal Secretariat for Information reports, that, after the investigation, which is underway, the Italian government will be informed of its results.

With the adoption of the law on joint financial organizations, the draft of which was approved at today's session of the FEC (with Janez Zemljaric in the chair) the setting up of these organizations in Yugoslavia has been made possible.

The work of joint financial organizations will contribute to the broader involvement of the Yugoslav economy in the international division of labor. [passage omitted]

Also considered was the initiative of the Council of the Yugoslav Trade Union Federation to change the social compact on the expenditure on food for workers. This section refers to expenditure on food for workers being allowed to amount to at most 15 percent of the average monthly personal income of workers achieved in the previous year in the republic, province, or Yugoslavia, whichever is more favorable. The FEC proposed that this section of the social compact be changed in such a way so that expenditure on food could amount to 10 instead of 15 percent of average monthly net income achieved in the previous year, multiplied by the coefficient of the rise in the cost of living in the country in the current year compared to the average for the previous year.

The FEC heard reports on the pollution of the Ibar River and ordered the competent organs to establish the true situation, initiate the necessary measures, and inform the FEC.

ITALIAN FISHING BOAT INCIDENT INVESTIGATED

Mikulic Cables Craxi

LD212345 Belgrade TANJUG Domestic Service in Serbo-Croatian 2027 GMT 21 Nov 86

[Text] Belgrade, 21 Nov (TANJUG) -- Branko Mikulic, president of the FEC, has extended a message to Italian Prime Minister Bettino Craxi in connection with the incident [as received] in the Gulf of Koper. The message expresses regret at the death of the captain of the Italian ship. At the same time it is stated that the Yugoslav authorities had emphasized in the past that undesirable consequences could occur due to continual illegal fishing by Italian fishermen in Yugoslav territorial waters. Branko Mikulic considers it to be indispensable to do everything in one's power in order to avoid similar incidents in future and to preserve the friendly and good-neighborly relations existing between the two countries.

Dizdarevic Sends Message

LD222231 Belgrade TANJUG Domestic Service in Serbo-Croatian 1924 GMT 22 Nov 86

[Text] Rome, 22 Nov (TANJUG) -- Giulio Andreotti, minister of foreign affairs of Italy, received Ante Skataretiko, the SFRY ambassador to Italy, in Rome today. This meeting was requested by Minister Andreotti, in connection with the incident in the Gulf of Trieste in which Italian citizen Bruno Zerbin lost his life.

On this occasion Ambassador Skataretiko handed to Andreotti a personal message from Raif Dizdarevic, the federal secretary for foreign affairs, expressing regret at the disagreeable incident about which the Yugoslav public were sorry to hear. The federal secretary at the same time expressed his conviction that this incident would not affect the policy of good-neighborliness and friendly cooperation which characterizes the relations between the two countries.

Minister Andreotti and Ambassador Skataretiko exchanged views about the kind of measures that could be taken in order to remove the possibility of similar incidents occurring in future in border waters.

The talks between the two sides were conducted in the spirit of good relations between the two friendly countries which, at this juncture, are trying to preserve the atmosphere of good-neighborliness confirmed during the recent visit of the federal secretary to Rome.

Investigation Concludes

LD220943 Belgrade TANJUG in English 2133 GMT 11 Nov 86

[Text] Koper, November 21 (TANJUG) -- An investigation into the tragic incident Wednesday, November 19, in Yugoslav territorial waters in the Adriatic, in which captain of the Italian fishing boat Aurora Bruno Zerbin died, was completed today in the Yugoslav town of Koper.

The communique on the investigation sets out that the Italian fishing boat was caught illegally fishing about 1.8 nautical miles inside Yugoslav territorial waters between the towns of Piran and Savudrija. Several hundred kilos of shellfish found on the Aurora are proof that the boat was fishing in Yugoslav territorial waters, which it had no right to do, investigative judge Gregor Velkovrh has said.

Velkovrh also said that according to statements of the Yugoslav coastal police, several other boats were also fishing in the vicinity. Although it has not been determined yet, they are also believed to have been Italian.

The Yugoslav Government today expressed regret over the incident, and called for an early agreement on fishing in the Gulf of Trieste, in order that similar tragedies in the future be prevented.

As determined in the investigation, spotting the Italian boat fishing illegally, a Yugoslav coastal police patrol boat headed for the Aurora, which made way for Italy. The patrol boat caught up with the Aurora 0.9 nautical miles from the Yugoslav-Italian border, from a distance of 20 meters, the police gave hand signals to the captain to stop his boat, but he ordered the helmsman to continue at the same speed towards the Italian port of Grado.

Eight warning shots were fired into the sea in front of the Aurora, but the Italian ship did not stop. The Aurora did not lower speed when the patrol boat intercepted it, moved away and started after it again. When the patrol boat caught up with the Aurora and approached its left flank, the police boat first fired eight warning shots in the sea in front of Aurora from its machine-gun, and then 19 shots in the front part of the Italian boat.

Most of the shots went through the walls of the Aurora's dining room and wheel-room. Captain Zerbin, standing on the steps with the helmsman, was hit by fragments of five smaller bullets, which splintered when penetrating the boat's iron walls. One hit him in the head, the second in the neck, and the other three in the left part of the abdomen, the thumb of the left hand, and the right arm respectively. Zerbin died immediately.

The investigation states that the entire incident lasted around four minutes, from the moment the patrol boat caught up with the Aurora to the moment the Italian boat was stopped at around 0.6 nautical miles inside Yugoslav territorial waters.

HASANI RETURNS FROM BUCHAREST VISIT 22 NOV

LD221043 Belgrade TANJUG in English 0905 GMT 22 Nov 86

[Text] Belgrade, Nov 22 (TANJUG) -- "This visit too confirmed that our relations with Romania are developing successfully in the spirit of good-neighbourliness, mutual trust and respect," President of the Yugoslav State Presidency Sinan Hasani said on returning to Belgrade from Bucharest earlier today after the close of his two-day official and friendly visit to Romania.

Hasani's talks with his host Nocolae Ceausescu included bilateral and international questions.

Hasani Comments

LD221116 Belgrade TANJUG in English 0954 GMT 22 Nov 86

[Text] Belgrade, Nov 22 (TANJUG) -- On his return here today from Bucharest, Yugoslav State Presidency President Sinan Hasani said his talks with Romanian President Nicolae Ceausescu included bilateral relations and cooperation, prospects for their promotion, major international issues and the two countries' foreign political activities.

This visit too confirmed that our relations are developing successfully in the spirit of good-neighbourliness, mutual trust and respect and that they are of broader importance, especially in respect to the situation in the region, Hasani said.

Special attemtion was devoted to the further promotion of economic relations, he said, adding that some concrete agreements were reached which should enable the advancement of economic cooperation. An accord on cooperation in the border region was among the agreements signed during the visit.

Our exchange of views on international questions focused on the strengthening of world peace and security, halting the arms race, the CSCE process, relaxation of tensions in international relations and ways for removing problems which burden them. We noted the major role and importance of the Nonaligned Movement in this field, Hasani said.

We also noted the need to invest further efforts for the development of biiateral and multilateral cooperation among all the Balkan countries, and for turning the region into a zone of lasting peace, security, cooperation and good-neighbourly relations, he said.

I consider this visit as another demonstration of the traditional friendship between Yugoslavia and Romania. It will give a fresh impetus to the expansion and strengthening of our mutually beneficial cooperation, Hasani said.

HASANI RECEIVES NEW AMBASSADOR TO LIBYA

AU211022 Belgrade POLITIKA in Serbo-Croatian 18 Nov 86 p 2

[Text] Sinan Hasani, president of the SFRY Presidency, yesterday received Milutin Galevic, the newly appointed ambassador extraordinary and plenipotentiary of the SFRY to the Socialist People's Libyan Arab Jamahiriyah, before his departure on his new tour of duty.

MIKULIC SPEAKS ON ECONOMIC POLICIES, GOALS

LD221146 Belgrade TANJUG Domestic Service in Serbo-Croatian 1435 GMT 21 Nov 86

[Text] Belgrade, 21 Nov (TANJUG) -- Without raising discipline and responsibility to a much, much higher level than the present one; without very concrete, decisive, uncompromising action on realizing the policy and systemic solutions which will be adopted in the SFRY Assembly through a democratic procedure; and without an orientation toward realistic economic categories and criteria, we could fall into an even more difficult economic crisis and provoke vacillations and a lack of faith in socialist self-managing system, and this would be a crisis bigger and graver than all the others; it would threaten our future.

This was pointed out by Branko Mikulic, president of the FEC, in his address to members of the Federal Board Presidium of SUBNOR [Federation of Associations of National Liberation War Veterans]. Mikulic added that actions against self-management on one hand weaken and undermine its material basis and contribute to strengthening statism and centralism, and on the other tolerate irresponsibility, arbitrariness, and illegal actions, that is, the abuse of self-managing democratic freedoms and rights -- and it defends such behavior. I am afraid that both types have assumed worrying proportions.

The president of the Federal Executive Council spoke at length on the results that can be expected this year and next, and about the economic and development policies.

This year's growth of social product of 3.7 percent is higher than its growth in the past 5 years taken together (3.2 percent). This year, work productivity was increased by 0.6 percent, and this was with the simultaneous increase of employment by 340,000. When it is taken into account that in the past 5 years 1,413,000 workers found employment, we are reaching the conclusion, Mikulic pointed out, that in the area of employment, though we face seious problems, we are still not in the state of stagnation.

Mikulic also recalled regular payments of foreign debts and reduction of the principal by about $1 billion, stressing that these facts are often overlooked in justifiably criticial assessments of the economic and social situation. These results or initial positive tendencies show, Mikulic pointed out, that it is possible to emerge from our many years of and overcome the stagnation problems and difficulties we face due to our failures in development and investment policies, particularly because of inconsistencies and wavering in the realization of the stabilization program, and also because of external circumstances ever since a so-called first oil shock.

The FEC president also drew attention to some unfavorable tendencies this year -- above all the unsatisfactory export results. Statistics show that from the beginning of the year to 17 November exports were down by 3.6 percent and imports down by 1.8 percent compared to the same period last year. Stating the facts on exports and imports according to foreign exchange areas and drawing attention to the effect of such trends on the trade balance and the balance of payments, Mikulic said that exports to developed countries were expected to grow further owing to the accords signed in November and December, and that the trade and particularly the balance of payments situation would somewhat improve.

Confirming the growth of all aspects of consumption by figures, Mikulic stressed that this reduced the involvement of the economy in the income from 65.9 to 61.9 percent, expressing particular concern for a speedier growth of income with restricted growth, compared to income which is not restricted. This is yet another indicator that an irresponsible attitude to the adopted policy and legal obligations is a very serious problem, he said.

Stressing that investment activity is slowing down contrary to individual, general, and joint consumption, Mikulic said that the structure of investments was getting worse contrary to the adopted policy, because noneconomic investments are growing, while economic ones are decreasing.

Despite the measures adopted in June and July, inflation continues to be very high, said the FEC president, adding that on 30 November the FEC, having examined the danger of galloping inflation, placed a certain amount of products and services under a stricter price control, and removed some products, [as received], and in this way the volume of the products whose prices are under direct control was not increased.

Dwelling on different assessments of the effects of the June-July measures, including a complete negation of their justifiability, Mikulic stressed that the inflation, measured by retail prices, would be about 19, and measured by producers' prices about 28 points lower if the growth of prices in the first 5 months -- January to May -- were the same as in the second 5-month period -- June to October.

Analyzing the fundamental aims and tasks for next year, Mikhulic pointed out that the FEC tried to set as realistic as possible aims, and that by as early as next week the confirmation of the validity of these goals, which is being studied by the institute for statistics, will be available, as well as the results of the verification of new systemic solutions in about 160 organizations of associated labor in economy and non-economic activities. The FEC will bear in mind both of these, as well as the proposals from a discussion on draft systemic laws, when establishing the draft resolution and these laws.

Branko Mikulic warned: "However realistic they may be, and even if they are below our realistic possibilities, the adopted aims cannot and will not be realized without the creative involvement of all our working people and citizens, self-managing and business organs, assemblies of socio-political communities and their organs, socio-political and social organizations and in the first place the LCY. Without this even the most realistic aims of the economic and development policies and the best economic and systemic solutions would remain a dead letter, while we will be facing more serious difficulties and increasingly deep crisis. It is high time we understood this. We have no time to repeat the already held discussions and adopt again the already accepted conclusions, programs and orientations. This would delay a social action which must not be delayed further."

Asked whether measures have been envisaged for curbing the inflation, Mikulic said that the FEC, as can be seen from the draft resolution, is not in favor of freezing the prices and personal incomes, adding that this has already proved unsatisfactory in Yugoslavia.

Instead, the FEC proposed a number of measures to boost production and exports, particularly to increase the effectiveness of economic activity, pooling of labor and resources and realization of joint production-export programs on one side, and extinguishing the hotbeds of inflation on the other.

Among the measures for extinguishing inflation, the FEC president mentioned: a new way of planning general and joint consumption, abandoning annual planning of money supply changes in the accounting system which will eliminate the calculation of nonexistent income, linking the growth of realistic personal incomes with the growth of labor productivity and the effectiveness of using social resources and restriction of the growth of noneconomic and nonproductive investments.

Such measures also include a new mechanism of calculating and paying realistically positive interest rates which will be divided in two parts -- reevaluation, which would be covered by prompt reevaluation of values of basic funds and stocks, and a realistically positive part, which would be paid for from the income of organizations of associated labor. "We think that in this way the liquidity of organizations of associated labor will be improved and the substance of social resources preserved", Mikulic said.

Reduction in pressure on the economy's income will also be influenced by changes in the tax system, because a considerable part of social needs should be financed from direct tax on the population. Stricter solutions in the law on financial reorganization will eliminate a part of uncovered consumption and exert a strong economic coercion on changes in production programs, introduction of new technologies, conquest of new products and change in the cadre structure on organizations of associated labor who operate at a loss which, Mikulic noted, is demanded by the stabilization program.

Special attention will be devoted to financial consolidation of part of economy of Montenegro, Macedonia and Kosovo. However, this is an issue of greater importance, because in all the republics and provinces there exist the organizations of associated labor and banks which are completely ready for financial consolidation. Stressing that this is a priority task, and failure to execute it would prevent successful application of all the realistic economic categories, the FEC president said: "It is obvious that there is an indispensable need for broad rescheduling of domestic debts and a more effective relief of economy from a part of obligations, even at a cost of reducing means for fresh investments for a specified period, as well as revising rights and institutions in the sphere of joint consumption."

While consumption press, demand and domineering orientation to realize the desired income by a price increase remain great, the FEC also considers necessary an effective social price control. By increasing demand and extinguishing hotbeds of inflation, depending on the achieved results, the FEC will carry out a liberalization of prices and next year eliminate disparity in prices, Branko Mikulic, president of the FEC, said.

DELO JOURNALISTS DISSATISFIED WITH PAY, POSITION

AU210956 Belgrade BORBA in Serbo-Croatian 28 Oct 86 p 3

[Zoran Medved article: "Even the Journalists?"]

[Excerpts] A rumor has been spreading through Ljubljana that the journalists of DELO are on strike. [passage omitted] For some time now, Slovene journalists have been warning that their socioeconomic position is poor, that their personal incomes are low and provide no incentive, and that this should finally be discussed in a responsible and frank way. All this time they have been hearing promises that matters will improve, that long-term solutions are being prepared, and the like.

A Way Out of the Vicious Circle [subhead]

The dissatisfaction of the DELO journalists has recently come to a head, and a meeting with the management was called at the initiative of the basic organization of the LC and the Executive Committee of the Trade Union Federation of the DELO Basic Organization of Associated Labor. The meeting was also attended by representatives of the founders, the Central Committee of the LC of Slovenia, the Republican Committee for Information, and the Republican Committee of the Union of Printing, Book Selling, Journalistic, and Information Activities. The basic subject was the low personal incomes of the DELO journalists, and the talks lasted a full 5 hours. [passage omitted]

The present situation resembles a vicious circle, but a way out certainly must be found. Of course, a single meeting could not solve all the problems, but those present assumed the obligation that ways should be found as soon as possible for a better evaluation of journalists' work. Here the story could end but for the detail at the beginning of the article.

Strike! The political and psychological value of this notion obviously sometimes blocks rational discussion. It seems -- at least judging by the secrecy with which the story about an alleged strike of DELO journalists is being spread in Ljubljana -- that this is sometimes forbidden and unacceptable, almost a hostile act. But the people simply wanted resolutely and responsibly to oppose the inertia met in examining their position. Unfortunately, one discusses journalists only when some excesses occur in the press and when their obligations and responsibility for the public word must be emphasized. [passage omitted]

The dissatisfaction of the DELO journalists therefore has broader dimensions than mere dissatisfaction with low personal incomes. It shows that the journalists want changes, but also that they understand more than other people how strong is the force of their example and their responsibility for public acts. Is this not a strong enough reason to believe them, finally?

KOSOVO BODY DISCUSSES EMIGRATION PROBLEM

LD221804 Belgrade TANJUG Domestic Service in Serbo-Croatian 1520 GMT 21 Nov 86

[Excerpts] Pristina, 21 Nov (TANJUG) -- We have still not yet fully revealed the true roots, nor have we examined all the causes of and motives for undiminished emigration. As a result, as time passes, regardless of our activity, the problem of emigration takes on a broad sociopolitical dimension among the Yugoslav public, creating an atmosphere of distrust toward progressive forces in Kosovo, and especially toward the Albanian nationality, Refik Agaj, chairman of the commission of the Executive Council of the Assembly of the Socialist Autonomous Province (SAP) of Kosovo for halting the emigration of Serbs and Montenegrins, said at today's session of the SAP Assembly of Kosovo, at which the problem of the emigration of Serbs and Montenegrins, the draft resolution for the year ahead, and the pooling of labor and resources were considered.

Presenting this assessment, Refik Agaj said last year, and in the first half of this year, after slowing down somewhat, the emigration of Serbs and Montenegrins increased significantly. In this period about 3,500 Serbs and Montenegrins left Kosovo. In only 6 months of this year, 1,747 members of Serbian and Montenegrin nationality emigrated, of which 133 of these were families.

The greatest number of those who emigrated are young people, which is indicated by the fact that in the last 4.5 years, 13,724 of them have left Kosovo.

If conditions are not created for their return, Agaj warned, they will take with them the other members of their families and inevitably relinquish their immovable property.

The greatest number of those who emigrated are from Pristina, Tito Mitrovica, Pec, Gnjilane, Kosovska Kamenica, Urosevac and Prizren, which is where, in fact, according to the 1981 census, there were most inhabitants of Serbian and Montenegrin nationality.

Agaj also warned about the so-called quiet emigration, in other words, the phenomenon where Serbs and Montenegrins buy plots of land, apartments and houses outside Kosovo.

Although they remain living in Kosovo, they do so, most frequently with the explanation "let's stay, if necessary." Although there are no exact statistics on this, Agaj showed that the number of these people who already have one foot outside Kosovo is not less than 2,000 families.

Serbs and Montenegrins, in his words, decide on this step most frequently because of trouble caused by various pressures and excesses. [passage omitted]

At a joint session of all three chambers, delegates also listened to the address of Jovan Bogicevic, vice president of the Executive Council of SAP Assembly of Kosovo, in connection with the draft resolution on the socioeconomic development of the province for the year ahead.

The draft envisages, among other things, a growth in the social product of 6.5 percent, a 9.2 percent growth in industrial production, 4 percent in agriculture, 16 percent in exports, 11 percent in investments, 5.2 percent in employment, and a 1.5 percent increase in productivity. [passage omitted]

VOJVODINA DELEGATE ON RELATIONS IN SERBIA

AU201501 Belgrade BORBA in Serbo-Croatian 31 Oct 86 p 4

[Z. Serences report "Delegates Do Not Find It Easy" on the session of the Vojvodina SAWP Provincial Conference discussing the constitutional role of the SAWP]

[Excerpt] Novi Sad, 30 Oct -- [passage omitted] Taking part in the debate at the session, Sveto Grbic touched upon the recent discussion at the Serbian Assembly examining conclusions about building unity and togetherness in the SR of Serbia, conclusions drafted by the Constitutional Commission, and, among other things, said the following:

"It is known that during preparations for that session, the Assembly of the Socialist Autonomous Province [SAP] of Vojvodina examined those proposals on the basis of its constitutional jurisdiction; it extended its support for most of the proposals, but made remarks on some of them and did not consider them acceptable. Such views of the Vojvodina SAP Assembly were met with criticism, and even political censure both in the debate at the Serbian Assembly and in commentaries of some media. Certainly, nobody can oppose principled criticism. However, we consider unacceptable such criticism as suggests that the Vojvodina SAP Assembly has the right exclusively to support republican organs' views, and that only then does one contribute to togetherness. The essense of such an approach is denying the Provincial Assembly the right to responsibly build up and expound positions on the questions of unity and togetherness in the SR of Serbia in comformity with constitutional and the LCY political positions. It is our joint responsibility in the SR of Serbia that constitutional authorities and obligations of the organs of both the republic and the Vojvodian SAP be consistently obliged."

MONTENEGRIN ORGANS DISCUSS ECONOMY

LD211757 Belgrade TANJUG Domestic Service in Serbo-Croatian 1238 GMT 21 Nov 86

[Text] Titograd, 21 Nov (TANJUG) -- Unfavorable economic circumstances continue to be the main source of the political-security and social problems in the republic, it was stated at the joint session of the Presidency of the SR of Montenegro and the LC Central Committee Presidium of this republic.

Besides great economic difficulties accompanied by problems in the employment of youth, the low living standard of workers, and the intensification of social differences, the absence of unity and energetic actions by subjective socialist forces to overcome the socio-economic crisis more rapidly is having a particularly negative influence on the political-security situation. The Presidency and Presidium's assessment is that the political mood of working people and citizens in Montenegro is also an unfavorable (?reflection) of the slowness in overcoming the situation in Kosovo, created by the counter-revolutionary activity of Albanian nationalism and separatism.

BRIEFS

YUGOSLAV-SWEDISH ECONOMIC COOPERATION -- Belgrade, November 21 (TANJUG) -- The Yugoslav-Swedish commission for economic, industrial and technical cooperation, which ended work in Belgrade today, has appraised the possibilities for increasing mutual exchange, joint investments in Yugoslavia and promotion of other forms of economic cooperation. Yugoslavia showed interest in increasing agricultural and food produce exports to Sweden and underlined the need for marketing textiles in Sweden under more favorable terms. Yugoslav economy representatives offered to Swedish partners 13 projects envisaging joint investment, of which seven are tourism- and six industry-related. In the nine months this year, Yugoslavia and Sweden exchanged goods worth 173 million dollars. The extent to which Yugoslav imports are covered with exports stood at 43 percent. It was also noted that conditions existed for reducing the Yugoslav deficit and increasing Yugoslav exports to Sweden. [Text] [Belgrade TANJUG in English 1716 GMT 21 Nov 86 LD]

NEW COMMUNICATIONS CABLE LAID -- Nis, Nov 21 (TANJUG) -- The Yugoslav PTT traffic enterprise of Nis has completed the laying of a new coaxial cable from Nis to the Bulgarian border, thus opening a new 120-km-long section of the international PTT line which will link the new automatic digital exchanges in Nis and the Bulgarian capital of Sofia. The new line, which will start operating by the end of the year, will improve the telephone links between this part of Yugoslavia and the rest of the world, as well as between the Middle East countries and Western Europe. Investments in the project, which was completed in only 10 months, are estimated at 1.2 billion dinars (approx. 3 million dollars). [Text] [Belgrade TANJUG in English 0855 GMT 21 Nov 86 LD]